

let's talk

We valued your views from the recent Let's Talk consultation.

# Adult Social Care Services



**We'd now like your views about proposed changes to:**

- introduce less intrusive financial assessments for Disability Related Expenditure allowance
- introduce a charge for people who want to defer costs of their care

Consultation  
runs from  
23 May to  
14 August  
2016



## Background

This consultation follows on from Cheshire West and Chester Council's wide-ranging Let's Talk consultation held last year and the introduction of the Care Act 2014.

The Council and its partners strive to provide compassionate and joined up care that supports the independence of older people and vulnerable adults. When people can no longer live independently and need residential care, if they have a house to sell to pay the fees, the Council can offer them the option to defer the payments so that they don't have to sell their house straight away. This is called a Deferred Payment Agreement.

The Council also wants to make the financial assessment process easier and less intrusive for service users when they are calculating the allowance they will receive for Disability Related Expenditure.

**We want to emphasise that anyone who already has a Deferred Payment Agreement or has been financially assessed for Disability Related Expenditure will not be affected by these proposed changes.**

## What we are consulting on

The Care Act 2014 seeks to bring together a number of existing pieces of legislation and introduce new duties to local authorities to ensure that wellbeing, dignity and choice are at the heart of health and social care.

The majority of the Care Act reflects existing social care policy that is being made law. However there are also a number of new duties that have been brought in by the Act. These new duties consider how care is assessed and charged for, who may have to contribute and how much people will have to pay towards their care.

We want to tell you about some of the proposed changes and gather views on the way the changes will be implemented. In particular, we are interested in your views about:

**Deferred Payments** – If you need residential care and have a house to sell to pay the fees, you may be able to delay selling your home until you are ready, or even until after your death and defer some of the costs against the equity in your home. This is called a Deferred Payment Agreement. Interest can apply for the duration of deferred arrangements up to a nationally set maximum rate. Setting up a deferred payment will also incur a one-off administration charge.

**Financial Assessments for Disability Related Expenditure** – The Care Act brings charging regulations together under one piece of legislation. It allows Councils, where possible, to undertake a light touch financial assessment. A light touch financial assessment can be carried out by accessing financial information that is already available to the Council or through telephone discussions rather than visiting to collect and verify financial information in each case. We propose to implement a light touch financial assessment for Disability Related Expenditure, incorporating a fixed allowance. This will reduce the need for an individual face to face assessment to determine the costs of Disability Related Expenditure in every case, and thereby reduce the need for quite personal and sensitive discussions.

**For further information about the Care Act please see:**

[www.careandsupportregs.dh.gov.uk](http://www.careandsupportregs.dh.gov.uk)  
[www.gov.uk/government/publications/care-act-2014-part-1-factsheets](http://www.gov.uk/government/publications/care-act-2014-part-1-factsheets)

## What my views will be used for

After the consultation ends on **14 August 2016** we will consider all the feedback received, review proposals and publish our final decisions and the revised policies on our website: [www.cheshirewestandchester.gov.uk/default.aspx?page=9519](http://www.cheshirewestandchester.gov.uk/default.aspx?page=9519)

## How to share your views

The consultation runs from **23 May 2016** to **14 August 2016**, and face to face discussions of these two policies and their impact to **new Service Users** will be raised at Partnership and Stakeholder events throughout the period. We are particularly keen to hear from service users, future service users, carers and Service Providers. Please respond in this time to have your views taken into account.



## There are a range of ways to express your views:

- Complete this survey
- Email: [accesswest@cheshirewestandchester.gov.uk](mailto:accesswest@cheshirewestandchester.gov.uk)
- Telephone: **0300 123 7034**

If you have any questions or queries about this consultation please contact us using the email or telephone number above.

Some paper and easy read versions will be made available at stakeholder and provider events. If you, or someone you know, would like this document in another format or language please use the contact details below.



## Accessing Cheshire West and Chester Council information and services

Council information is also available in Audio, Braille, Large Print or other formats. If you would like a copy in a different format, in another language or require a BSL interpreter, please email us at [equalities@cheshirewestandchester.gov.uk](mailto:equalities@cheshirewestandchester.gov.uk)

Tel: **0300 123 8 123**    Textphone: **18001 01606 867 670**  
 email: [equalities@cheshirewestandchester.gov.uk](mailto:equalities@cheshirewestandchester.gov.uk)  
 web: [www.cheshirewestandchester.gov.uk](http://www.cheshirewestandchester.gov.uk)

# 1: Deferred Payments

From April 2015, all Councils in England are required to provide a deferred payment for eligible local residents who go to live in residential or nursing care, have a legal interest in a property and have other assets below the upper capital limit set by the Department of Health.

## Eligibility:

- Anyone whose eligible care needs are to be met by the provision of Council supported care in a care home. This is determined when someone is assessed as having eligible needs.
- Anyone who has less than (or equal to) £23,250 in assets excluding the value of their home (i.e. in savings and other non-housing assets); and
- Anyone whose property or asset interest is not disregarded, for example their previous home is not occupied by a spouse or dependant relative as defined in regulations on charging and support.

## Proposed changes to the Deferred Payments Scheme

The scheme is intended to be run so that Councils can recoup the costs associated with deferring fees by charging interest and an administration charge. Councils must set their administration charge at a reasonable level, and this level must not be more than the actual costs incurred by the Council in provision of the Deferred Payment Scheme.

### 1.1: Administration Charge

We propose to charge a one-off administration charge in line with the following principles:

- The administration charge will only cover the costs that we incur when setting up and maintaining a Deferred Payment Agreement.
- The charging of the fees will be easy to administer, helping to keep the fee amount to a minimum.
- You will know what you are being charged for and when the fees will be reviewed or changed. It has been calculated that the fee will be £450.

- The administration charge could be added onto the total amount deferred, or paid separately, depending on what you choose.

### 1.2: Interest Charges

Councils will be able to charge interest on any amount deferred, including any administration charges deferred, from the start of the Deferred Payment Agreement. Interest cannot exceed the nationally set interest rate (2.15% at Jan 2016). The nationally set interest rate is reviewed every six months on 1 January and 1 July. Interest will accrue on a compound basis.

To show you how much interest you might have to pay, using the current (Jan 2016) nationally-set maximum interest rate of 2.15%:

- If a service user is deferring £100 per week the average compound interest that would be payable after Year 1 is £60 and after Year 2 is £200.
- If a service user is deferring £200 per week the average compound interest that would be payable after Year 1 is £150 and after Year 2 is £500.
- If a service user is deferring £300 per week the average compound interest that would be payable after Year 1 is £200 and after Year 2 is £800.

This proposal about Deferred Payments is consistent with other Councils and our neighbouring authorities.

People in the borough of Cheshire West and Chester who already have a Deferred Payment Agreement **will not** be affected by any changes brought in by these proposals.

### 1.3: Possible future developments

We will continue to review the position for the first twelve months of operation of the scheme in order to determine whether the Council wants to extend the eligibility criteria to people whose care and support is provided in supported living accommodation.

We may also consider cases where a second legal charge can be secured providing we have the necessary agreements in place and to accept properties where they are jointly owned.

### 1.4: Case Study

The example below shows how the proposed changes would impact this service user, if he was assessed under the proposed new rules. **However, as he has already been assessed, the new rules would not apply to him.**

- Mr H, aged 86 years, has lived in a residential care home for a year which costs the council £372.54 per week
- He receives a state pension, an occupational pension and attendance allowance
- His savings are £16,057
- His former home was valued @ £90,000 and he was offered a Deferred Payment Agreement with the Council. He sold this former home 297 days after he moved into the residential care home.

Deferred charges under current rules	Deferred charges under proposed rules	Change
His total assessable weekly income is £347.10	His total assessable weekly income is £347.10	No change
His total weekly allowances are £39.87	His total weekly allowances are £39.87	No change
So the amount he can contribute towards the weekly cost of the care home is £347.10 less £39.87 = £307.23	So the amount he can contribute towards the weekly cost of the care home is £347.10 less £39.87 = £307.23	No change
As the amount he can contribute is less than his cost of care, he sets up a Deferred Payment Agreement with the council. There is no charge for this.	As the amount he can contribute is less than his cost of care, he sets up a Deferred Payment Agreement with the council. There will be a one-off Administration Charge of £450.00 which he chose to add onto his deferred payment, rather than pay up front.	It will cost £450 more but this can be added onto the Deferred Payment
So each week he defers £65.31 which is the difference between the £372.54 weekly cost of the care home and his weekly contribution of £307.23	So each week he defers £65.31 which is the difference between the £372.54 weekly cost of the care home and his weekly contribution of £307.23	No change
He sold his former home 297 days after he moved into the residential care home. By then his deferred payments of £65.31 per week totalled £2,820.76. He paid the council £2,820.76.	He sold his former home 297 days after he moved into the residential care home. By then his deferred payments of £65.31 per week totalled £2,820.76, plus he had deferred the £450 Administration Charge, making a total deferred amount of £3,270.76. Interest at the national maximum rate (2.15% per annum) of £41.88 was then added to this making a total amount owed of £3,312.64.	In total he owed the council £491.88 more than he would have done under current rules.

Please give us your views about what you have just read about Deferred Payments. All the information you provide will be in the strictest confidence. If there are any questions you do not wish to answer, please feel free to leave them blank.

**Q1:** On page 4, we have said that there will be a one-off Administration Charge of £450 to set up a deferred payment. Which one of the following options do you agree with?

**Option 1:** The whole amount of the Administration Charge should be paid up front

**Option 2:** The Administration Charge should be treated as a deferred payment which will incur interest

**Option 3:** People should be able to choose either Option 1 or Option 2 when they set up a Deferred Payment Agreement

**Q2a:** On pages 4 and 5 we have talked about interest charges. Do you think we should charge interest at the nationally set interest rate, which is currently 2.15%?

Yes

No

Don't know

**Q2b:** If you chose No or Don't Know, what interest rate between 0% and the nationally set interest rate (2.15% at Jan 2016) do you think the Council should apply?

**Q3a:** Do you agree with our proposals about reviewing the rate of interest we charge in line with the nationally set interest rate, in January and July each year?

Yes

No

Don't know

**Q3b:** If you chose No or Don't Know, what frequency of review would you suggest?

**Q4:** If you disagree with or are unsure about the proposals regarding interest charges, do you have any suggestions about how the Council should cover the costs it incurs for providing the service and the risks associated with lending? Do you have any other comments about the proposals for Deferred Payments?

## 2: Disability Related Expenditure

Currently all adults with eligible care needs met other than in a care home setting undergo a Disability Related Expenditure assessment. All assessments are individual and undertaken face to face with a Financial Assessor. Service Users are currently expected to evidence the expenditure they incur through production of receipts covering up to a 12 month period, and the allowance given to the individual is based upon the accurate expenses they incur.

### Types of expenditure made necessary by any disability might include:

- Payment for a community alarm system
- Privately arranged care or domestic help
- Higher than usual fuel bills
- Additional costs due to a special diet
- Purchase of equipment such as a stair lift or electric wheelchair
- Additional laundry costs
- Additional cost of clothing, bedding and footwear
- Gardening.

### Proposed changes to assessing Disability Related Expenditure

It is proposed to replace the current face to face assessment with a 'light touch financial assessment' where:

- The person has significant financial resources, and does not wish to undergo a full financial assessment for personal reasons
- There is a small or nominal charge for a particular service, and carrying out a financial assessment would be disproportionate
- An individual is in receipt of certain benefits e.g. Jobseekers Allowance.

Rather than conducting individual detailed face to face financial assessments, it is proposed to use **disability related benefits** that the person is receiving to determine a Disability Related Expenditure banding allowance a service user will receive. This removes the risk of inconsistent allowances being given to service users with similar

disabilities and reduces the need for quite personal and sensitive discussions.

**So the Council is proposing to award a fixed weekly Disability Related Expenditure allowance based on a service user's disability related benefits income as follows:**

#### Band 1:

No disability related benefits - £0

#### Band 2:

Lower or middle rate care component of Disability Living Allowance (DLA), standard care component of Personal Independence Payment (PIP) or lower rate Attendance Allowance (AA) - £7.00 / week

#### Band 3:

Higher rate care component of DLA, Enhanced care component of PIP or higher rate AA - £25.00 / week

Should a service user feel that the fixed weekly allowance they have been awarded does not accurately reflect their Disability Related Expenditure allowed under this policy, they may request an individual assessment of their Disability Related Expenditure. This will involve a visit by a member of staff from our financial assessment team who will require supporting evidence of such expenditure. It should be considered that any individual assessment of Disability Related Expenditure may be lower or higher than the standard award as a result of such an assessment.

## 2.1: Case Study

The example below shows how the proposed changes would impact this service user, if she was assessed under the proposed new rules. **However, as she has already been assessed, the new rules would not apply to her.**

- Mrs J, aged 76 years, lives in a rented house.
- She receives Retirement Pension, Pension Credit and Attendance Allowance at higher rate totalling £295.35 per week
- Her housing costs are met by housing benefit and Council Tax benefit
- Her post office savings account has a current balance of £770.46
- She receives 10 hours of home care in total per week.

Financial Assessment under current rules	Financial Assessment under proposed rules	Change
Her total assessable weekly income is £295.35	Her total assessable weekly income would be £295.35	No change
Her total weekly allowance of £204.05 includes: <ul style="list-style-type: none"> <li>• Personal allowance of £189.00</li> <li>• Disability Related Expenditure allowance of £15.05</li> </ul>	Her total weekly allowance of £214.00 includes: <ul style="list-style-type: none"> <li>• Personal allowance of £189.00</li> <li>• Disability Related Expenditure allowance of £25.00 (Band 3) as she is on the higher rate of Attendance Allowance</li> </ul>	No change She would get £9.95 per week more allowance for her disability
Total amount that Mrs J pays towards her 10 hours of home care per week (income less allowances) is £91.30	Total amount that Mrs Jones would pay towards her 10 hours of home care per week (income less allowances) is £81.35	She would pay £9.95 per week less towards her 10 hours of home care*

\* Please note that the impact of the changes may result in an individual receiving a lower Disability Related Allowance than they would under the current rules, and therefore would have to pay more towards their care.

- There are currently just over a third (37) % of service users who are assessed to pay no charge towards their care services.

- There are currently just over half (56 %) of service users who are assessed to pay a variable / assessed weekly charge (these are most likely to be affected by the changes).
- There are currently 7% of service users who are assessed to pay the standard charge for their care services.

Residents who have already been assessed for Disability Related Expenditure, under the current model, **will not** be affected by the proposed changes.



Please give us your views about what you have just read about Disability Related Expenditure. All the information you provide will be in the strictest confidence. If there are any questions you do not wish to answer, please feel free to leave them blank.

On page 7 we have described how we propose to assess service users into three bands, depending on what Disability Related Benefits they receive.

**Band 1:** No disability related benefits - £0

**Band 2:** Lower or middle rate care component of Disability Living Allowance (DLA), Standard care component of Personal Independence Payment (PIP) or lower rate Attendance Allowance - £7.00 / week

**Band 3:** Higher rate care component of DLA, Enhanced care component of PIP or higher rate AA - £25.00 / week

**Q5a:** Do you think we should set the bandings at the weekly rates proposed above, bearing in mind that service users can still request a full detailed face to face assessment?

Yes

No

Don't know

**Q5b:** If you chose No or Don't Know, what banding rates do you think Cheshire West and Chester Council should apply?

**Q5c:** Do you have any comments or suggestions you would like to make about the proposals relating to Disability Related Expenditure Bandings in Cheshire West and Chester?

# About you

## All questions are voluntary and treated in the strictest confidence

The answers you give in this section will only be used to ensure that we obtain responses from a broad range of areas and types of people. Please feel free to leave blank any questions that you do not wish to answer, we will use the comments you have given us so far. No information will be released that would allow identification of you as an individual or of your household.

**Q6a: Which of the following best describes you? Please cross (X) all that apply.**

A resident of Cheshire West and Chester

A paid or unpaid carer\* of a resident of Cheshire West and Chester

An employee of Cheshire West and Chester Council

An elected Member of Cheshire West and Chester council

An elected town or parish councillor in Cheshire West and Chester

A member of a voluntary or community organisation Chester

Other (please specify in the box below)

\* An unpaid carer is someone who looks after a family member, partner or friend in need of support or services because of their age, physical or learning disability or illness, including mental illness

**Q6b: If you are responding on behalf of a group, organisation or club please state the name and postcode in the box below (you do not need to complete the rest of the 'About you' section). Please write in the box below.**

**Q7: Please tell us your postcode; this is so that we can be sure we have obtained a range of views from across the borough. Please write in the box below.**

**Q8a: Are you...? Please cross (X) one box only.**

Male

Female

Prefer not to say

**Q8b: Is this the gender you were born into? Please cross (X) one box only**

Yes       No       Prefer not to say

**Q9: Which age group do you belong to? Please cross (X) one box only.**

16 to 24       25 to 34  
 35 to 44       45 to 54  
 55 to 64       65 to 74  
 75 and over       Prefer not to say

**Q10a: Are your day-to-day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months? This includes problems related to old age. Please cross (X) one box only.**

Yes       No       Prefer not to say

**Q10b: If you answered yes to the question above, which of the following best describes your disability or illness? Please cross (X) all that apply**

Physical impairment that causes mobility issues e.g. Wheelchair users  
 Visual impairment       Hearing impairment  
 Learning disability or difficulty       Mental health issue  
 Long standing illness or health condition       Other (please specify in the box below)

**Q11: Do you have a caring responsibility? Please cross (X) one box only**

(This could be either as a paid carer or as someone who looks after a family member, partner or friend in need of support or services because of their age, physical or learning disability or illness, including mental illness)

Yes       No       Prefer not to say

**Q12: Which of the following best describes your religious belief/ faith? Please cross (X) one box only.**

Buddhist       Christian       Hindu       Jewish  
 Muslim       Sikh       None       Prefer not to say  
 Other, please specify

**Q13: Which of the following terms best describes your sexual orientation? Please cross (X) one box only.**

<input type="checkbox"/> Heterosexual (straight)	<input type="checkbox"/> Bisexual
<input type="checkbox"/> Gay/Lesbian	<input type="checkbox"/> Prefer not to say
<input type="checkbox"/> Other, please specify	<input style="width: 500px;" type="text"/>

**Q14: Which of the following terms best describes your ethnic origin? Please cross (X) one box only.**

**White**

English/Welsh/Scottish/  
Northern Irish/British

Irish

Any other White background  
(X and write in below)

**Black or Black British**

Caribbean

African

Any other Black background  
(X and write in below)

**Asian or Asian British**

Indian

Pakistani

Bangladeshi

Chinese

Any other Asian background  
(X and write in below)

**Mixed**

White and Black Caribbean

White and Black African

White and Asian

Any other Mixed background  
(X and write in below)

**Other ethnic group**

Arab

Other ethnic group  
(X and write in below)

**Travelling Community**

Gypsy/Roma

Traveller of Irish descent

Other member of the  
Travelling Community

**Thank you very much for taking part in this survey.**

Please return this form to: Corporate Assessment Centre, Cheshire West and Chester Council,  
4 Civic Way, Ellesmere Port, CH65 0BE. Closing date is 14 August 2016