

Consultation information:  
Changes to charging for adult  
social care services in the  
community

9 June 2020



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# Introduction

We are consulting on proposals that will change the way we calculate how much our residents pay towards the cost of community-based adult social care services.

Community-based services include care provided to a person in their home, care provided in day centres and care purchased with a direct payment from the council.

We are presenting three options which each proposing changes to the following areas:

- changing the 'standard utilities allowance', which is currently set at £15 per week to either £5 or £0.
- increasing the maximum amount people may be asked to pay towards the cost of their care from £250 per week (current cap) to either £300 or £1000 per week.
- removing the charge for respite and carer relief, if it is in place mainly to meet the needs of the carer.

We want to hear what you think about these options.

**The proposed changes will not affect people living in a residential care home or nursing care home.**

Like all other councils, we are facing significant financial pressures. The changes we are consulting on will bring us in line with other councils while maintaining our commitment that only people who can afford to pay towards the cost of their care, do so.

The consultation will run from 9 June 2020 to 7 September 2020, after which your views will be presented to the Mayor in Cabinet. An option will then be agreed.

We will confirm the date when changes will come into effect once the consultation has closed. All residents, their carers and family, who will be impacted by these changes, will be contacted directly in advance of any changes.

To have your say, please visit <https://talk.towerhamlets.gov.uk/changes-to-adult-care-charges>

If you require this information in a different format, please email [charging@towerhamlets.gov.uk](mailto:charging@towerhamlets.gov.uk)

This consultation was previously published on Let's talk Tower Hamlets on 9 March 2020 but was impacted by the coronavirus pandemic (for example, we were not able to fulfil plans to carry out a postal survey). To ensure the council conducts a meaningful consultation it has been relaunched and the date for responses has been extended to 7 September 2020.

When the consultation was first published, we presented two options for consideration and we have now added a third option (referred to as Option 1 in this

consultation). This additional option seeks to broaden the discussion and allow for a wider range of views.

Responses to the previous consultation (two- received between 9 March 2020 and 9 June 2020) will be considered by the council and we will contact those who responded (and gave consent to be contacted) to notify them of the relaunched consultation and additional option being presented.

As part of the original consultation we had planned face to face engagement with community groups, advocacy organisations and our social care providers to enable them to share their views. These meetings were cancelled due to the coronavirus pandemic and we are now in the process of agreeing new dates.

Once the new dates have been confirmed they will be publicised on Let's talk Tower Hamlets. Alternatively you can email [charging@towerhamlets.gov.uk](mailto:charging@towerhamlets.gov.uk) or call 0207 364 2038 (between 9am and 12pm Monday to Friday) to find out more.

All residents in receipt of a community-based package of support will receive a copy of this consultation in the post throughout June and July 2020.

## Background information

### How we currently charge for community-based adult social care services

When we introduced a means-tested charge for community-based adult social care in October 2017, we were one of the last councils in England to do so.

Our charging leaflet (enclosed) explains how we calculate the amount, if anything, a person is asked to pay towards the cost of their care.

We must follow guidance set out in the 2014 Charging and Assessment of Resources Regulations when calculating the amount of money that people are asked to pay. It outlines what we have to include in our calculation and what we do not include.

Some examples of what the government say must be taken into consideration:

- the amount of money that people need to live on, to pay for bills or utilities. This is called the 'minimum income guarantee'. Councils must leave people with at least this amount of money when charging for social care services.
- what income and assets we can include in our calculation and what we cannot include. For example, earnings from a job or the value of a person's main home cannot be included. However income from many benefits and pensions can be taken into account.
- the amount of money people are left with to pay for necessary disability-related expenditure. These are usually costs that arise from a disability or

long-term health condition and help people manage or cope with their disability, impairment or long-term health condition.

- the amount of savings people must be left with before we start charging for social care services.

When charging was introduced in 2017, we included the following into our calculation:

- an increased 'minimum income guarantee'. We agreed a higher rate for adults of working age and added an extra £15 per week to the amount for everyone. We called this extra £15 the 'standard utilities allowance'.
- a limit on how much any person could be charged. This is currently £250 per week. Nobody using community-based adult social care services can be charged more than this amount. In law, there is no limit or maximum amount that councils should set when charging for community-based adult social care services except that the charge cannot be more than the cost of the services providing that the 'minimum income guarantee' is met.  
our current approach is to charge people using community-based adult social care services for respite care, after a calculation and financial assessment.

## Who is currently being charged?

An analysis we carried out in 2019 showed:

- 43 per cent of all people using community-based adult social care services were being charged an amount of money towards the cost of their care as of April 2019, equating to 1,134 people.
- 1,052 people had been assessed as not having to pay any financial contribution towards their care, as of April 2019 (40 per cent).
- 118 people had been assessed as having to pay the full cost of care up to a maximum of £250 per week as of April 2019 (4%).
- the majority of people (57 per cent) were being charged up to 25 per cent of the total cost of their care package as of June 2018. The average weekly amount people were paying was £54.

## What is the impact of charging people for their care?

An analysis we carried out in 2018 and 2019 found:

- there was no evidence that our charging policy for community-based adult social care services stopped people from coming forward for help. The number of people getting in contact with us has not gone down.
- there was no evidence that the council's charging policy has had an overall negative impact on people's wellbeing or satisfaction with their care each year. The figures have improved overall between 2017 and 2019.

- as of April 2019, a total of 88 care packages have been stopped with charging stated as part of the reason. There can be a number of reasons behind this. We have a system in place to safeguard adults who want to end or reduce their support due to charging, if doing so would put them at significant risk of harm.
- feedback from both residents and advocacy organisations at the time charging was introduced, was that it did cause some distress and anxiety for a number of people using adult social care services and their families. The importance of clear communication was highlighted as an issue and we have worked hard since then to improve it.
- our analysis also showed that charging for respite care was risking placing an increased burden on friends and family. Respite care is often put in place primarily to give friends and family a break from unpaid caring.

## Our approach compared to other councils

Benchmarking analysis we carried out in 2018 and 2019 showed that our current approach is not in line with other councils in London and across England. A number of councils:

- have either a higher limit or no limit at all for the amount that people can be asked to contribute.
- do not have a 'standard utilities allowance', and instead only use the rates set by the government under the 'minimum income guarantee'.

The approach to charging for respite and carer relief varies a lot from one council to another.

## Better value for money

We currently support more than 2,700 residents a year in community-based services and demand is high. With a growing need in the population, we are spending more on care and support than our budget can pay for.

There is currently a significant overspend in adult social care services and we must make savings to ensure we are able to continue providing a sustainable social care offer.

We made £7.2 million in savings over the last three years and need to make a further £4.4 million in savings over the next three years.

Changing how we calculate the amount that an individual may be charged for community-based adult social care services is one way to address these challenges, while maintaining our commitment that only those who can afford to pay towards the cost of their care do.

In 2019/20 we spent £86.6 million on care and support for adults. Adult social care faces significant cost pressures, and this amount was over our budget.

We estimate that the options proposed in this consultation will generate an annual saving of between £263,000 and £400,000 depending on which option is agreed.

To reduce the risk that a change in policy will put an increased burden on unpaid carers, it is also proposed that the charging policy be changed so that respite or carer relief be provided free of charge, if it is in place primarily to meet the needs of the carer.

Our current policy is to charge for respite and carer relief in the same way as other community-based services. We estimate that providing respite and carer relief free of charge will cost the council £189,000 per year which was been accounted for in the three options below.

## Options

There are three options we are consulting on. The main differences between the options are:

- changes to the maximum amount people are asked to pay towards their care, each week. This is proposed to increase from £250 to either £300 or £1000 per week.

It is estimated that approximately 28 people will be impacted by this change (as of April 2019, 28 people would have been impacted, but the number of people getting support changes at any one time).

- adjusting the amount we disregard when calculating a person's charge. At present we apply a £15 'standard utilities allowance' each week and we are proposing to either reduce this to £5 or remove it.

It is estimated that between 1,239 and 1,304 people will be impacted by changes to the 'standard utilities allowance'. We estimate this number of people would need to pay a higher contribution as a result of the change or would move from paying no contribution to paying a contribution.

- all three options propose providing respite and carer relief services free of charge, if they are put in place primarily to meet the needs of a carer, after we have carried out a carer assessment.

The way respite and carer relief is recorded makes it difficult to estimate, but our records show at least 200 carers received this in a two month period in 2017.

### Option 1

- Increase the maximum amount people can be asked pay towards their care from £250 per week to £1,000 per week.

- Remove the £15 'standard utilities allowance'.
- Provide respite and carer relief services free of charge, if they are put in place primarily to meet the needs of a carer following a carer assessment. At the moment these services are chargeable to the person receiving adult social care services.

It is estimated that 28 people will be impacted by increasing the maximum weekly contribution. If a person is not currently contributing the maximum of £250 per week, they will not be impacted by this proposed increase.

We project that removing the 'standard utilities allowance' will impact 1,304 people.

We estimate that at least 200 carers will be impacted by the changes to respite and carer relief.

The projected annual saving for this option is £400,000.

## Option 2

- Increase the maximum amount people can be asked to pay towards their care from £250 per week to £1,000 per week.
- Reduce the 'standard utilities allowance' from £15 to £5.
- Provide respite and carer relief services free of charge, if they are put in place primarily to meet the needs of a carer following a carer assessment. At the moment these services are chargeable to the person receiving adult social care services.

It is estimated that 28 people will be impacted by increasing the maximum weekly contribution. If a person is not currently contributing the maximum of £250 per week, they will not be impacted by this proposed increase.

We project that reducing the 'standard utilities allowance' to £5 will impact 1,239 people.

We estimate that at least 200 carers will be impacted by the changes to respite and carer relief.

The projected annual saving for this option is £263,000.



### Option 3

- Increase the maximum amount people can be asked to contribute towards their care from £250 per week to £300 per week.
- Remove the £15 'standard utilities allowance'.
- Provide respite and carer relief services free of charge, if they are put in place primarily to meet the needs of a carer following a carer assessment. At the moment these services are chargeable to the person receiving adult social care services

It is estimated that 28 people will be impacted by increasing the maximum weekly contribution. If a person is not currently contributing the maximum of £250 per week, they will not be impacted by this proposed increase.

To allow for a weekly maximum contribution of £300 per week, the 'standard utilities allowance' is removed in option 3. We estimate that this will impact 1,304 people.

We estimate that at least 200 carers will be impacted by the changes to respite and carer relief.

The projected annual saving for this option is £274,000.

Option 1 was developed in May 2020 in light of growing financial pressures on adult social care.

Option 2 was included in the council's budget pack and was agreed by Cabinet as part of a Financial Recovery Plan.

Option 3 has been developed as an alternative which delivers a similar saving and in order to provide more choice in the consultation.

We are also open to hearing about other alternative options which would deliver similar levels of savings.

## Who do we want to hear from?

We want to hear from everyone who is receiving support from adult social care services, and their family, friends and support network.

We are also seeking views from any other interested parties, such as staff or organisations who work with people using social care services.

## How to respond

Our consultation and support information will be available on the council's consultation and engagement platform – Let's talk Tower Hamlets.

In addition to this online consultation, we will be writing to every person in receipt of community-based adult social care services to get their views in the coming months. This is to ensure that anyone potentially impacted by these proposals can let us know how the proposals might affect them.

While opportunities for public engagement events are restricted due to the coronavirus pandemic, we will be setting up online engagement sessions for residents impacted by these proposed changes. These meetings will be publicised on Let's talk Tower Hamlets.

## Appendix 1

### Frequently asked questions

#### Who will be impacted by these proposals?

Our data indicates that:

- 28 people would be impacted by the proposal to change the maximum weekly limit.
- 1,239 people would be impacted by the reduction of the weekly 'standard utilities allowance' from £15 to £5.
- 1,304 people would be impacted by the reduction from £15 to £0 (removing the 'standard utilities allowance').
- We estimate that at least 200 carers (and the people they care for) would benefit if we stop charging for respite and carer relief.

However, it is important to note that these figures are taken from a point in time, and the number of people in receipt of adult social care constantly changes.

#### How will these changes impact on the services I receive?

The services that you receive will not change. The amount you are charged towards the cost of your care may change in early 2021 (following the outcome of this consultation).

#### When will any changes come into effect?

If one of these proposals are agreed, changes will come into effect in early 2021.

Before this date and before any changes are made, you will be informed about the outcome of this consultation and what proposal was agreed and why.

## **When will I know how much, if anything, I will have to pay towards the cost of my care?**

Every person using community-based adult social care services will be contacted in advance of any changes being made.

It is important to remember the amount you are charged will depend on which proposal is agreed and on your individual circumstances.

## **How can I find out how these options will affect my personal circumstances?**

You can speak with the financial assessment team specifically about the consultation 0207 364 2038 between the hours of 9am and 12pm Monday to Friday.

The financial assessment team will be able to explain the financial assessment process in more detail. However, it is important to say they are unlikely to be able to calculate how your charge may or may not change for each of the three proposals. This is because a charge is very much dependent on each person's individual circumstances.

## **I currently live in a care home, how will these changes affect me?**

The proposals set out in this consultation will only affect people receiving a package of support in the community. If you live in a care home or a nursing home, these changes will not affect you. However, we welcome your thoughts.

## **What is respite and who receives it? What difference will these proposals make to it?**

Respite – either in a respite centre or at home – provides temporary care to someone and is mainly put in place to give a break ('respite' from caring) to an unpaid carer. It can include receiving support at a care centre, or at home.

All three options presented above will provide this form of care free of charge if the service has been identified following a Carer Needs Assessment.

If you would like to request a carers assessment you can call adult social care at the council on 0207 364 5005 (9am – 5pm Monday to Friday) or contact the Carer Centre Tower Hamlets on 020 7790 1765.

## **How long does the consultation last and who will make the final decision?**

This consultation will run from 9 June 2020 to 7 September 2020.

The council will review all responses before considering the proposals set out.

The final decision will be shared on Let's talk Tower Hamlets – the council's online consultation and engagement platform.

### **How were the proposed options agreed?**

The proposal to review how we charge for community-based adult social care services was part of our annual budget setting process.

Option 1 was developed in May 2020 in light of growing financial pressures on adult social care.

Option 2 was included in the council's budget pack and was agreed by Cabinet as part of a Financial Recovery Plan.

Option 3 has been developed as an alternative which delivers a similar saving and in order to provide more choice in the consultation.

### **Do the proposals mean people will have to spend all their savings to pay for care?**

No. The proposals do not change our approach to people's savings.

Savings under a certain amount cannot be included in financial assessments, as set out in the 2014 Charging and Assessment of Resources Regulations. Savings above a certain amount are considered, and in this situation, we would expect people to use some of their savings towards the cost of their care. More information is in the leaflet on charging (enclosed).

### **Do the proposals mean people will have to sell their homes to pay for care?**

No. The proposals do not change our approach to the value of people's homes.

The value of a person's home cannot be included in the financial assessment.

More information is in the leaflet on charging (enclosed).

### **How do the options consider Disability Related Expenditure?**

The options do not change our approach to Disability Related Expenditure.

We disregard Disability Related Expenditure in financial assessments. More information is in the leaflet (enclosed).

## **Appendix 2**

### **Our equalities impact assessment**

We have undertaken an equality impact assessment (EIA), which has been published alongside this consultation information document.

We will consider the EIA before making any decision and agreeing any changes to charging for community-based adult social care services.