


<b>Cabinet Decision</b>  [02.01.2025]	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Georgia Chimbani Corporate Director HASC	<b>Classification:</b> Unrestricted
<b>Free Community Care – April 2025 – Revised Charging Policy</b>	

**Proposed Decision Path (indicate) – Delete Section Before Publication:**

	Step [Delete as applicable]	Date
DLT Level (Tier One)	DLT / CD	28.10.24
CLT Level (Tier Two)	CLT / CE	26.11.24
Discussion with Mayor (Tier Three)	MAY	?
Discussion with Lead Member (Tier Three)	LM	?
Member Level (Tier four)	MAB / 121	11.12.24
Decision (Tier five)	Cabinet / IMD	02.01.25

<b>Lead Member</b>	<b>Councillor Gulam Kibria Choudhury, Cabinet Member for Adult Social Care</b>
<b>Originating Officer(s)</b>	Margaret Young Interim Director Adult Social Care Christine Oates Service Manager Localities
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	Yes
<b>Reason for Key Decision</b>	The proposal involves revenue expenditure exceeding £1m.
<b>Forward Plan Notice Published</b>	[Insert date notice was published – see <a href="#">forthcoming decisions webpage</a> ]
<b>Exempt information</b>	None.
<b>Strategic Plan Priority / Outcome</b>	Tackling the cost-of-living crisis A Council that listens and works for everyone

## Executive Summary

In order to prepare for the introduction of free community care with effect from April 1<sup>st</sup> 2025, the current Adult Social Care Charging Policy has been updated to reflect this manifesto pledge. Charging for residential and nursing placements will remain. DLT are asked to agree the amended policy.

### THIS SECTION TO BE DELETED BEFORE PUBLICATION

#### Decision Type

Key Decision?	Urgent Decision?	Exempt from Call-In?	Restricted Report or Partially Restricted (e.g. appendix)?
Yes	No	No	No

\*If the answer is yes make sure the forthcoming decision on the website states this or else the decision cannot be taken.

#### Guidance Documents

Further details on the procedure for Urgent Decisions can be found in the [Intranet Library](#) and the Guide to Report Writing [guidance note](#).

<b>Directorate Leadership Team</b>
<b>Corporate Leadership Team</b>
<b>Mayor/Lead Member</b>
<b>Communications</b>

## **THIS SECTION TO BE DELETED BEFORE PUBLICATION**

### **Recommendations:**

The Mayor in Cabinet is recommended to:

1. Agree the revised Adult Social Care Charging Policy.
2. Continue to pursue historic debt.
3. Agree the cessation of referrals from the operational teams for a financial assessment on 31<sup>st</sup> March 2025.
4. Agree that the new Adult Social Care Charging Policy will come into effect on 1<sup>st</sup> April 2025.

## **1 REASONS FOR THE DECISION**

- 1.1 In line with the Council's Strategic Plan, which commits us to removing charging for Community Care from 1 April 2025, a revised ASC Charging Policy is being proposed. The implementation of the amended policy creates a benefit for residents at a time when the cost-of-living crisis continues to have an impact.
- 1.2 The Council has a power but not a duty to charge for some services including homecare and day care as examples. These services are provided following an assessment under the Care Act.
- 1.3 The Council has charged for these services since 2017 and the current policy is in line with the national guidance, but it also provides additional protection for those on very low incomes, and it includes discretionary elements to further reduce the burden of charging.

## **2 ALTERNATIVE OPTIONS**

- 2.1 The retention of charging for all care and support is an option beyond April 2025. In comparison to the preferred option, this option would reduce the degree of financial support provided to residents of the borough who have eligible needs for care and support where there is a financial assessment which indicates an ability to pay.
- 2.2 An alternative option would be counter to the objective set out in the strategic plan.

## **3 DETAILS OF THE REPORT**

- 3.1 In line with the strategic plan, the Adult Social Care Charging policy has been amended to create a benefit for residents at a time when the cost-of-living crisis continues to impact on residents.

- 3.2 The update to the policy will return the Council to the position of no longer charging for non-residential provision. The new arrangements will apply from April 1<sup>st</sup>, 2025.
- 3.3 This means that those who possess assets above the national thresholds will no longer have to be assessed for a contribution towards the cost their care where they are in receipt of community-based support. Those in receipt of residential or nursing care will still be financially assessed and may need to contribute towards the cost of their care.
- 3.4 A snapshot taken on the 8<sup>th</sup> October 2024 confirmed that 1,445 people were assessed to pay a contribution for their care and support. The anticipated weekly income from these individuals totalled £104,204.33. These individuals will benefit from the proposed changes to the charging policy.
- 3.5 While it should only be seen as an indicative figure, taking the monthly amount from the snapshot above and applying it to a 12 month period would suggest annual income would be approximately £5.4m.
- 3.6 Regarding the planned changes to national winter fuel payments, the change to the charging policy will further mitigate against loss of income for some residents. In May 2023, 15,913 residents were in receipt of a state pension and one can assume that they would have been eligible for a winter fuel payment. In future, only residents claiming pension credit will be eligible.
- 3.7 In February 2024, 7,316 people were claiming pension credit and an estimated 8,597 were not claiming.
- 3.8 The comms team will lead on delivering communications activity to position the council as a pioneer for this policy, promote the benefits of free community care and promote the council's investment in supporting vulnerable residents.

The comms plan will outline activity across a variety of comms channels leading up to the rollout of free community care, including announcing the policy if agreed at Cabinet and launching the policy in April 2025.

A key part of the communications activity will be ensuring service users, and their families are informed of the changes and how it will affect them and working with partners and service providers to amplify our key messages.

#### **4 EQUALITIES IMPLICATIONS**

- 4.1 An initial EQIA screening indicated that there will be no negative or disproportionate impact on residents of the borough. See Appendix 2.
- 4.2 The revised charging policy is a positive initiative which will financially benefit all individuals in receipt of care and support where a financial assessment has indicated an ability to pay a contribution for the support. The change in policy will benefit both existing and future users.

#### **5 BEST VALUE IMPLICATIONS**

- 5.1 Through implementation of the new charging policy, the council will reduce the financial burdens on vulnerable members of the local community - an important priority through the ongoing cost of living crisis. Data from the Census showed that older people (aged 65+) in Tower Hamlets suffer from the highest rates of deprivation in the country and the revised policy will alleviate some of the pressures that deprivation can bring.
- 5.2 The provision of homecare ensures that people who receiving care and support can be helped to be independent for longer and in their own homes. Removing charging as a deterrent for residents in need of care and support can lead to residents accessing the support that they need earlier and help prevent the need for more expensive interventions (such as nursing or residential care) in the future.

## **6 COMMENTS OF THE CHIEF FINANCE OFFICER**

- 6.1 The financial impact of ceasing community care charges will consist of two elements - an income impact which is quantifiable and the expenditure impact which is more difficult to predict.
- 6.2 Current income from community charging is £5.4m (there is a budget provision of £2.4m for 2025/26). There is a potential for this to increase (5% equates to £270k) due to an anticipated increase in take up. The financial risk of an increase in demand for services is more difficult to quantify. Any increase in demand will need to be identified at an early stage so that it can be managed.
- 6.3 Total non-residential care debt as at 15th of October 2024 was (£5.59m). However, as charges will continue to 31 March 2025, charges raised up to 31 March 2025 will be pursued and collected retrospectively in the usual way.

## **7 COMMENTS OF LEGAL SERVICES**

- 7.1 The ability of the Local Authority to charge for care and support is contained within Sections 14 to 17 of the Care Act 2014. The Local Authority has a power to charge for meeting a person's needs for care and support which meet the eligibility criteria under Section 14; the Local Authority therefore has discretion to make a charge but can decide not to do so. Where the Local Authority decides to charge it must comply with the Care and Support (Charging and Assessment of Resources) Regulations 2014 and have regard to the Care Act statutory guidance; the revised Adult Social Care Charging Policy is compliant with the Regulations and Statutory guidance.

**Linked Report**

- NONE.

**Appendices**

- Revised ASC Charging Policy
- EQIA – Initial Screening

**Background Documents – Local Authorities (Executive Arrangements)  
(Access to Information) (England) Regulations 2012**

- NONE.

**Officer contact details for documents:**

N/A