

Integrated Impact Assessment (IIA)

Informing our approach to fairness

Proposal:	Adult Social Care – Financial management
Date of assessment:	November 2020
Lead officer:	Mark Hawkins
Assessment team:	Mark Hawkins, Sean Cocking, James Steward
Version:	2 – updated following consultation
Planned review date:	June 2021

Section A: Current service

1. What does the service / function / policy do?

Adult social care services are not provided for free in the same way that most health services are. Local authorities can charge people for the social care services we provide to adults with eligible needs, and the Care Act sets out the rules for how we should do this (see Section 3 for more detail). These rules set a national standard for what is fair and reasonable when it comes to financial matters such as: which services we can charge for, how we make sure that charges are affordable and other things including how we manage financial transactions for people who ask us to. Our publicly available Charging and Financial Assessment Policy, [which is publicly available via this link](#), sets out how we apply these national rules. Some parts of our current policy are more generous than legislation requires. All local authorities have some form of charging policy in place for adult social care services and the proposals detailed below will bring our policy in line with the expectations laid out in the Care Act and the approach of other local authorities in the region.

This proposal is about arrangements for commissioning services on behalf of people who pay the full cost of their care in their home or community, if they ask us to do this

2. Who do we deliver this service for?

Everyone who is assessed as having eligible social care needs is covered by the Charging and Financial Assessment Policy, regardless of where that support is provided. This proposal only relates to people who receive care and support in their own home or in their community. In 2019-20, we provided support to 3,550 people in their home or community at some point during the year.

At the end of the financial year 2019-20 there were 615 people receiving long-term support in their home or community who paid the full cost of their care and support because they have capital above the thresholds set out in Regulations or because they chose not to disclose their finances as part of a financial assessment.

3. Why do we deliver this service?

Section 14 of the Care Act 2014 gives local authorities the power to charge people for providing services that meet their eligible social care needs. If a local authority chooses to exercise this power, it must do so according to the rules set out in Section 17 of the Care Act 2014, the Care and Support (Charging and Assessment of Resources) Regulations 2014, and the care and support statutory guidance published by the Department of Health and Social Care. This includes guidance on charging an arrangement fee for commissioning services for people. We are required to follow this legislation and guidance and to publish a policy on charging and financial assessment that sets out how we meet the legislative requirements as well as any local policy that is more generous than is required by law.

4. How much do we spend on this service / function / policy in 2019-20?			
Gross expenditure	Gross income	Net budget	These are the staffing costs for our Business Finance, and Commissioning and Procurement functions, who are the main teams involved in the commissioning and administration of social care services for people with eligible needs.
£2,852,910	(£0)	£2,852,910	
5. How many people do we employ to deliver this service?			
No. posts	No. full time equivalent officers	This is the total number of posts/full time equivalent officers working within Business Finance and Commissioning and Procurement functions.	
66	61.43		

Section B: Proposal for future service

6. How do we propose to change the service / function / policy?
<p>Update following consultation: We have considered the feedback received during the consultation period, as set out in Section C. As a result, there are no significant changes to the proposal but some elements of this IIA have been amended to provide clarity about who will and will not be affected by it, including the potential impacts and mitigation in Section D. This will be kept under review.</p> <p>The Care Act, and all the regulations and guidance that accompany it, set out clear expectations about how local authorities should act in relation to financial matter, including charging an arrangement fee. This statutory framework sets a national standard for what is fair and reasonable. In recent years, we have worked hard to reduce the impact on people's finances of having care and support needs by retaining policies and practices that are more generous than these national legislative expectations. This is no longer sustainable. We cannot continue to operate a policy that goes beyond national expectations and local practice in other areas without placing the services we deliver to people with care and support needs at risk. In the continuing absence of a fair and sustainable settlement on the funding for adult social care at a national level, we need to ensure that all our policies fall in line with national expectations.</p> <p>Arrangement fees for social care services provided to full cost payers</p> <p>The Care Act and the accompanying regulations and statutory guidance give councils the power to charge a fee for arranging services to meet the eligible social care needs of people who can afford to pay the full cost of their care. The guidance is clear that this charge can only cover the cost of commissioning and arranging the support. It is not a means tested charge.</p>

Our current Charging and Financial Assessment Policy includes a provision to make such a charge, referred to as an arrangement fee. From April 2021, we propose to change the wording of the Policy to state that we will make such a charge where we arrange community-based services on behalf of people with eligible social care needs who have either declared that they have capital above the financial thresholds laid out in Regulations, or where they have refused a financial assessment. In both cases, the person is liable to pay the full cost of any care and support we commission, up to a maximum of £400 per week.

We propose to add a weekly arrangement fee of £5 to the person’s contribution to cover the administrative costs of commissioning and arranging services on their behalf, where they meet the above criteria. We will provide information about alternatives for people who do not wish to pay the fee for the council to arrange their support.

People who do not have capital above the thresholds laid out in regulations, and those who agree to a financial assessment and pay a contribution based entirely on their income from benefits, will not be required to pay an arrangement fee.

We estimate that this will provide income of £100,000 to offset costs across Adult Social Care and Integrated Services.

7. What evidence have we used to inform this proposal?

Information source	What this has told us
Our Charging and Financial Assessment Policy	This is our publicly available document that sets out how we charge people for the support we provide, and how we conduct financial assessments. It is available on our website .
Short and long-term support (SALT) Return for 2019-20	Provides information on the number of people receiving support in their own home or community. We submit our SALT returns to NHS Digital in July every year and they are published along with data for all councils with adult social services responsibilities (CASSRs) on the NHS Digital Website .
Internal Adult Social Care and finance systems	The number of people who pay the full cost of their care services on the basis that they have capital or have chosen not to disclose their finances as part of a financial assessment.
Gov.uk/legislation.gov.uk	The Care Act The Care and Support (Charging and Assessment of Resources) Regulations 2014 The care and support statutory guidance on charging These documents set out the rules and expectations around the areas contained in this proposal.

8. What will be the financial impact of this proposal(s)?

The total saving from this proposal is £100,000.

9. What will be the impact upon our employees of this proposal?

No. FTEs	% workforce	The income from this proposal will off-set costs within Adult Social Care and Integrated Services
0	0	

Section C: Consultation**10. Who have we engaged and consulted with about this proposal?**

Date	Who	How	Main issues raised
Dec 20 – Jan 21	Newcastle residents	Let's Talk Online	<p>Some respondents were concerned that the consequences could be to put care out of the financial reach of some people, and that it could deter some people from seeking support services.</p> <p>Some people thought it was fair to charge more for these services given the recent cuts to local government funding, but others were concerned it could penalise people who had built up enough savings to fund their own care.</p>
Dec 20 – Jan 21	VCS Organisations	Let's Talk	<p>Connected Voice and the Elders Council emphasised the importance of being able to consider 'exceptional cases' where people may not be able to afford this charge and perhaps having a 'sliding scale' for arrangement fees to take people's circumstances into account.</p> <p>Healthwatch Newcastle commented on the need for service users and their 'family and friends' carers to have full information both about the proposed changes, and about what services would be available to them if they chose to arrange their own services to avoid the arrangement fee.</p> <p>Healthwatch Newcastle were concerned at the potential impact of the proposed change on unpaid carers.</p>

6 Jan 2021	Elders Council	Online meeting	The need to cover cost is understood but for some people a £5 per week fee will have an impact, and people may not know how to arrange their own care.
------------	----------------	----------------	--

Section D: Impact assessment

Type of impact (Actual / potential disadvantage or beneficial outcome; none)	Detail of impact	How will this be addressed or mitigated?
People with protected characteristics		
Age		
Potential disadvantage	Although this proposal will have no specific additional impact because of a person's age, older people are more likely to require care and support.	<ul style="list-style-type: none"> • We will continue to operate a charging and financial assessment policy that only requires people to pay a fair contribution based on their ability to pay one. • We will continue to consider exceptional cases on a case-by-case basis. • We will provide information to people who are affected by this proposal, signposting them to other sources of support and guidance.
Disability		
Potential disadvantage	Although this proposal will have no specific additional impact because of a person's disability, disabled people are more likely to require care and support.	<ul style="list-style-type: none"> • We will continue to operate a charging and financial assessment policy that only requires people to pay a fair contribution based on their ability to pay one. • We will continue to consider exceptional cases on a case-by-case basis. • We will provide information to people who are affected by this proposal, signposting them to other sources of support and guidance.
Gender reassignment / identity		
None	This proposal will not have an additional impact on people because of their gender identity.	

Type of impact (Actual / potential disadvantage or beneficial outcome; none)	Detail of impact	How will this be addressed or mitigated?
Sex		
None	This proposal will not have an additional impact on people because of their sex.	
Marriage and civil partnership		
None	This proposal will not have an additional impact on people who are married or in a civil partnership.	
Pregnancy and maternity		
None	This proposal will not have an additional impact on people who are pregnant or caring for babies.	
Race and ethnicity		
None	This proposal will not have an additional impact on people because of their race or ethnicity.	
Religion and belief		
None	This proposal will not have an additional impact on people because of their religion or beliefs.	
Sexual orientation		
None	This proposal will not have an additional impact on people because of their sexual orientation.	
Other potential impacts		
People vulnerable to socio-economic impacts		
Potential disadvantage	Depending on the decision made by the person with eligible social care needs about the arrangement of their care, there could be an increased pressure on unpaid carers, either because they will provide more support, or in administering support on behalf of the person they care for.	We will continue to offer needs assessments to carers independently of the person they care for and will continue to provide support or signposting as appropriate to their needs as a carer.
Businesses		
None	This proposal will have no additional impact on businesses.	
Geography		

Type of impact (Actual / potential disadvantage or beneficial outcome; none)	Detail of impact	How will this be addressed or mitigated?
None	This proposal will not have an additional impact on specific areas of the city.	
Community cohesion		
None	This proposal will not have an additional impact on community cohesion.	
Community safety		
None	This proposal will not have an additional impact on community safety.	
Public Health		
None	This proposal will not have an additional impact on public health.	
Climate		
None	This proposal will not have an additional impact on climate issues.	