

# Adult Social Care Scrutiny Commission Briefing

8<sup>th</sup> September 2016

---

## Disability Related Expenditure (DRE) Consultation Findings

Lead Director: Steven Forbes

---



City Mayor

## Useful information

- Ward(s) affected: All
- Report author: Stuart McAvoy
- Author contact details: 37 4004

## 1. Summary

- 1.1. Most non-residential social care service users pay a charge towards the cost of their services, based on a means test which assesses how much they can afford to pay. A part of this means test considers Disability Related Expenditure (DRE), which is the extra cost of living that a person faces as a result of their disability.
- 1.2. The purpose of this report is to provide an outline of DRE and the means test and present the findings from a 12-week consultation on changes to DRE that was carried out between 19<sup>th</sup> January 2016 and 12<sup>th</sup> April 2016.

## 2. Background

- 2.1. DRE is the extra cost that a person experiences as a result of their illness or disability. Some examples include:
  - If a person has an emergency alarm to alert a family member in a crisis and has to pay for this then the cost may count as DRE;
  - If a person's disability means that they are unable to manage their garden, then the cost of paying a gardener to keep it tidy may count as DRE;
  - If a person's disability means that they have to stay at home for most or all of the day then they may have to heat their home for longer. The additional cost of heating bills may count as DRE.

None of these are costs which would have been incurred if a person didn't have a disability.
- 2.2. When the Council calculates how much a person has to pay towards their services it considers how much income a person has coming in and how much they need to be left with to live on. The Council has to make sure that a person is left with enough money to cover their costs of DRE.
- 2.3. Currently the Council allows all single people to keep £20 of their income per week to cover the DRE costs they face. If a person can show that they face DRE costs of more than £20 per week then they keep as much as they need to cover the costs in full. (People who are one of a couple keep £15 of their income to cover these costs).
- 2.4. The following shows a simplified example of the calculation of a charge for an older person with a pension:

**Income**

State Pension	£119.30
Occupational Pension	£125.00
Attendance Allowance	£55.10
<b>Total Weekly Income</b>	<b>£299.40</b>

**Allowances**

Minimum Income Required	£194.50
Disability Related Expenditure	£20.00
<b>Total Allowances</b>	<b>£204.50</b>

This person needs to be left with at least £204.50 to adequately cover their cost of living, including an amount to cover the extra costs associated with their disability. Their actual income is far higher than this amount, so they pay a weekly charge of £84.90 (equal to the difference between their income and allowances: £299.40 minus £204.50).

### **3. Consultation Approach and Findings**

#### **3.1. Consultation Questions**

3.1.1. The following suggestions were consulted upon:

- 1) The suggestion in the consultation was to reduce the standard DRE allowance from £20 to £10 per week for an individual (and from £15 to £10 for one of a couple). Where a person has DRE costs of more than £10 a week then they would continue to be allowed to keep the full amount they need to cover their costs.
- 2) Currently, people sometimes pay for things (such as wheelchairs and incontinence aids) which the NHS should be paying for. The suggestion in the consultation was to disallow items of expenditure which the NHS should be providing from those which count as DRE.
- 3) Currently, people sometimes privately pay for extra services such as cleaning or additional domiciliary care. The suggestion in the consultation was to disallow items of expenditure where the person is topping up over and above what the Council has deemed necessary to meet eligible care needs.

3.1.2. The maximum additional amount that a person would have to contribute each week as a result of the above changes would be £10. Therefore, in addition, people were asked what the impact for them would be of an increase to their weekly charge of £10.

3.1.3. People were also asked to make recommendations about other ways in which the Council could save money.

## 3.2. **Consultation Approach**

3.2.1. A comprehensive approach was taken to ensure that all stakeholders had an opportunity to provide their views.

- People were encouraged to express their views through questionnaires sent to all service users (or their representatives) who could have been affected. The questionnaire was also available to complete on the Council's website;
- A telephone helpline was set up to receive comments and also support people with the completion of their questionnaire. A generic email address provided a supplementary route of contact;
- Public meetings were held at different venues across the city;
- Staff attended provider forums, and emails were sent to organisations representing the interests of people in receipt of adult social care services;
- City Councillors and local MP's were all made aware of the consultation.

3.2.2. A total of 641 questionnaires were completed and returned, which represents a response rate of over 20% on the number that were issued to service users. Given the complexity of the issues raised this can be considered a very good response rate.

## 3.3. **Consultation Findings**

3.3.1. The following provides a summary of the main points raised within the consultation.

### 3.3.2. **Proposal to Reduce the Standard Amount of DRE**

3.3.3. Nearly half (48%) of those who responded to this question disagreed with the proposal. A quarter (25%) agreed with the proposals. A further quarter (26%) did not have a view. This showed a fairly strong disagreement towards this proposal.

3.3.4. Those who responded in favour of the proposal frequently referred to its fairness. It was also mentioned that this would help the Council to support greater numbers of people with social care needs.

3.3.5. Those who were against the proposals made the following points in their comments:

- The most frequent comment was in relation to the potential to have negative effects on people's finances, and the risk of causing financial hardship. In some cases this was a reference to their own situation, whilst in others it was a reference made to disabled or elderly people in general.
- The second most frequent comment reflected a desire to leave the standard DRE amounts as they are. In some cases this was a general reflection of opposition to the proposals, whilst in others it reflected an opinion that the current levels are appropriate.
- A common comment made was that £10 is not enough to cover the additional costs a person incurs as a result of their disability. However, the consultation materials clearly stated that if a person had eligible DRE costs

in excess of £10, then the actual (higher) costs would be allowed.

- A significant number of comments refer to the need to protect disabled people from the impact of the cuts. There was the view among some that disabled people have been 'picked on' and are on the receiving end of a number of cuts. Others were more general in stating that the proposals are unfair. Comments also reference the fact that these proposals would affect some of the least well off members of society.
- Responses referred to the importance of treating people as individuals, and reflecting the specific circumstances and costs that people are facing.

### 3.3.6. **Proposal to Disallow Items Which Should be Provided by the NHS**

3.3.7. Marginally more people agreed with the proposal (41%) than disagreed (37%), with the remaining 22% not having a view. This suggests a fairly even split in opinion.

3.3.8. Of those people whose disability related to issues of mobility, there was a much stronger level of disagreement. This could be due to the increased likelihood of this group being affected by changes in this area.

3.3.9. Those who were opposed to the proposals made the following points in their comments:

- Some general comments made the point about the necessity of the items under consideration, and that these are not luxury items where people can avoid the cost.
- A number of people commented on the potential impact on people's health and wellbeing of any changes, as well as the risk that people won't be able to afford the essential support they need.
- The most commonly raised comment was that, in practice, the NHS does not meet all of a person's needs and it is this which leads to a person topping up that support from their own money. The examples given include: waiting lists; overly stringent / onerous NHS criteria; insufficient quantities being provided (e.g. incontinence pads); and only basic (and therefore inappropriate) equipment being provided e.g. wheelchairs which are too heavy to operate.
- Some comments also referred to the potential impact on the NHS of the proposals, with the belief that this could increase costs to the NHS

3.3.10. In addition, several people again referenced the importance of treating people as individuals and considering the person's specific circumstances.

### 3.3.11. **Proposal to Disallow Items Which Are in Excess of Those Deemed Necessary to Meet Eligible Care Needs**

3.3.12. More people disagreed with this proposal (43%) than agreed to it (32%), with the remaining 25% not having a view or not answering the question.

3.3.13. Those who were in favour of the proposals made the following points in their

comments:

- It was noted within one response that people are in receipt of benefits to cover the additional costs they face. Attendance Allowance and Disability Living Allowance, for example, exist partly to cover the cost of supervision and getting around.
- Some who were in favour of the changes made the comment that this was on the assumption that services were made available to those who needed them.

3.3.14. Those who were against the proposals made the following points in their comments:

- The most common response was that the criteria for receiving services from the Council (or other sources) is high, forcing people to purchase their own support. Similarly, excessive waiting times for receiving support (e.g. stair lifts) can prompt some people to make their own arrangements. There was concern among some that support from the Council will reduce further over time.
- A number of people made the point that the services people are choosing to purchase are basic necessities; where a person needs these, there is no alternative and this therefore represents a justifiable expense. Others noted the importance of keeping people in their own home and the increased likelihood of this being achieved by them spending above the levels included in their support plans.
- General comments were made that the proposals risked penalising the most vulnerable and the poorest people in society, and that people with low incomes need more help.
- There were some comments referring to the importance of treating people as individuals and considering the individual circumstances they face. In this context, the argument was that exceptional cases should still be considered.

### 3.3.15. Impact of a £10 Increase to the Weekly Charge

3.3.16. Half of people (50%) responded that an increase of £10 to their weekly charge would affect them a lot, including how much they have for essential things. A further 9% of respondents indicated that they would consider stopping the Adult Social Care services they receive. 13% would be able to manage the increase, with 19% being affected a little (including how much they have for 'extras and treats'). 11% of people did not answer this question.

3.3.17. The comments made include the following:

- An increase cost of £520 per year is a lot for people who, in the main, have very low levels of income.
- Some people have experienced reductions to their levels of income through moving from Disability Living Allowance onto Personal Independence Payments, and through changes to the Independent Living Fund. The

argument is also made that the cost of living is increasing at a faster rate than changes in income levels (including rent and Council Tax).

- Many comments indicated that people are already struggling to make ends meet. Examples given of the areas where people would have to reduce expenditure include heating, food and clothing. Others state that they would have to go into debt as a result.
- Several comments stated that they would be unable to attend medical appointments as a result of being unable to afford the transport. There could be a consequent impact on people's health, including depression, stress and isolation.

### **3.3.18.Suggested Opportunities to Save Money**

3.3.19.Respondents were asked for their ideas of other ways in which to make savings. Appendix A presents a list of the suggestions made.

## **4. Current Policy Position**

Cllr Palmer has made the following statement with regards to the next steps for this consultation process;

"I have looked carefully at these consultation findings. At this stage no changes to current DRE arrangements will be recommended. I am concerned about the potential financial hardship possible changes could mean for people with disabilities. However, given the significant scale of the financial challenge facing the local authority and the national funding situation facing adult social care, this is something that may have to be returned to for consideration in the future. If proposals for DRE changes are considered in the future the views of ASC scrutiny will be sought.

I will be commissioning further work on the issue of items that the NHS should be providing as I believe this area requires further, detailed exploration."

# Appendix A – Savings Suggestions From Respondents

## **Salaries / Wages / Expenses / Management Costs**

- Reduce Management costs / wages
- Introduce a wage freeze / cap
- Reduce Expenses (e.g. travel expenses)
- Reduce Mayor's salary
- Reduce Councillor's / Mayor's expenses
- Reduce number of Councillors / Deputy Mayors (or abolish)
- Reduce agency costs

## **Bureaucracy & Organisation**

- Reduce bureaucracy
- Reduce administration costs
- Use phone calls / emails rather than letters
- Join with Leicestershire County Council
- Merge services with NHS (including pooled budgets)
- Reduce the number of agencies providing support
- Increase the outsourcing of services
- Increase in-house provision of services
- Reduce sickness levels

## **Procurement & Contracting**

- Increase use of volunteers (including secondary school children)
- Improve procurement strategies / identify cheaper alternatives / bulk buying
- Increased use of charities
- Use events to raise money (including donations)
- Improve contract monitoring
- Plan transport routes better

## **Care Management**

- Be more stringent in assessing people for services
- Assess people properly and in a timely manner
- Work better in liaising with other organisations/agencies to reduce having to refer between
- Help people live independently (e.g. physiotherapy)
- Reduce legal costs through improved practice
- Support carers
- Improve the Health system / use the NHS more
- Introduce a more thorough means test / increase charging
- Improve the quality of assessments
- Use 15 minute calls for those who don't need half an hour calls
- Reduce money for non-essential services spent on Direct Payments
- Reduce unnecessary visits from social workers
- Identify cases where carers are not needed
- Support families rather than using residential care
- Listen to family members when the need for support has reduced
- Press government to spend more on social care
- Help people better prepare for when they will need support
- Improve the skills and reliability of carers
- Increased companionship to reduce loneliness



- Improved maintenance of equipment
- Introduce a service user representative group to discuss savings options
- Invest in training for staff
- Increase the amount of support from within families
- Charge people for underused services when they go abroad

### **Non-Social Care**

- Reducing fraud
- Don't spend as much on consultations
- Reduce expenditure on cycle lanes
- Reduce street cleaning (e.g. by making residents responsible for area in front of their house / use of volunteers)
- Better use and coordination of Council vehicles
- Reduce expenditure on sculptures on roundabouts, landmarks etc.
- Reduce expenditure on schemes such as Jubilee Square
- Reduce expenditure on vanity projects
- Reduce expenditure on Golden Mile
- Reduce expenditure relating to travellers
- Reconsider use of assets
- Don't sell Council assets for a nominal value
- Improved management of contracts
- End public fireworks displays
- Stop the Christmas Lights
- Reduce expenditure on arts and sports
- Reduce expenditure on trees in the city centre
- Reduce expenditure on painting
- Reduce expenditure on new buildings
- Don't amend dropped kerbs for wealthy families
- Introduce compulsory retirement