

Overview and Scrutiny Commission

Date: 11 November 2020

Subject: Financial Monitoring Task Group recommendation to OSC

Lead officer: Rosie Mckeever, Scrutiny Officer

Lead member: Councillor Stephen Crowe, Chair of FMTG

Contact officer: Rosie Mckeever, Scrutiny Officer

Recommendations:

- A. For the Overview and Scrutiny Commission to note and comment on the contents of the report.
 - B. That, whilst acknowledging the severe financial pressure facing the Council due to the Covid crisis, the Cabinet is asked to review the appropriateness and fairness of the Disability Related Expenditure disregard of £10 per week, which has remained unchanged for many years.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 At the FMTG meeting on 5 March 2020, Mr Michael Turner, Policy & Strategy Manager for the Merton Centre for Independent Living (MCIL) presented a paper entitled 'Charges for Adult Social Care'.
- 1.2 Michael Turner made a number of recommendations but particularly stressed that MCIL regarded the current Disability Related Expenditure disregard of £10 per week as insufficient. The figure is too low, it does not reflect the true cost of extra items that are required and has not been reviewed for ten years.
- 1.3 The FMTG unanimously resolved to make a recommendation to the OSC on the matter of the Disability Related Expenditure disregard.

2 DETAILS

- 2.1 Local Authorities have discretionary powers to charge adults receiving care services under section 14 of the Care Act 2014.
- 2.2 Councils are required to carry out a financial assessment to work out what an individual can afford. This policy will be used when calculating an individual's contribution to their social care package, including their personal budget allocation or traditional social services.
- 2.3 An allowance of £10 is made for Disability Related Expenditure for customers in receipt of disability benefits such as Attendance Allowance and Disability Living Allowance (care component) who submit on the financial assessment form that they incur disability related expenses.
- 2.4 Disability Related Expenditure is considered as a necessary additional expense to meet needs that are not being met by the Council that a person incurs due to a disability or condition (extra heating, laundry, prescriptions, disability related equipment etc.)

- 2.5 Merton's current policy is that individuals who report DRE are eligible for a £10 per week disregard in respect of their financial contribution towards their care. However, if the individual feels that their DRE is more than £10 per week then they are entitled to submit a claim for the higher amount with appropriate supporting evidence which is then assessed on a case by case basis.
- 2.6 Looking at the Merton data from 6 April to 4 October 2020;
- 2.7 There were 1765 customers financially assessed for non-residential care services
- 2.8 762 of these customers received a DRE allowance.
- 650 received the standard DRE of £10.
 - 112 received a DRE over £10 after requesting their DRE be assessed individually.
 - The majority of the 112 customers received a DRE allowance of £15 - £45.
 - However, 7 customers received a DRE of over £100, with the highest being £190.
- 2.9 Looking briefly at a snapshot of other Local Authorities;
- 2.10 A survey undertaken by NAFAO in September this year asked Local Authorities what type of DRE they applied for non-residential financial assessments. There were 41 respondents to the survey;
- 2.11 11 Local Authorities offer a standard DRE ranging from £10 to £20. The most frequent figure, given by 6 of the councils, was £10. The average was £12.
- 2.12 The remaining 30 councils grant bespoke allowances based on the receipts provided during the financial assessment process.

3 ALTERNATIVE OPTIONS

- 3.1 Continue with the present £10 disregard. However, this fails to acknowledge increases in the cost of living in the 10 years since the disregard was last reviewed.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. See background papers – MCIL briefing 'Charges for Adult Social Care'

5 TIMETABLE

- 5.1. None

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. None for the purpose of this report though if the recommendation is progressed, there will be financial implications. An increase in the DRE allowance would impact on the income received from customer contributions. Further details would need to be sought from the Financial Assessments Team, Debt Recovery and the Director of Corporate Services.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. None for the purpose of this report

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. None for the purpose of this report.

9 CRIME AND DISORDER IMPLICATIONS

9.1. None for the purpose of this report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. None for the purpose of this report.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

None

12 BACKGROUND PAPERS

12.1. Merton CIL briefing for the Financial Monitoring Task Group - 'Charges for Adult Social Care'

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