**Report on the Council’s Consultation**

**Regarding the Deferred Payment Policy**

**and Charging Arrangements for People who Fund their Own Care**

**February 2015**

1. **Introduction**

This report summarise the findings of the consultation on the Council’s proposed changes to charging arrangements under the Care Act 2014 and the Council’s response to these.

1. **Background**

2.1 The Care Act will introduce a number of reforms that impact care service users, their carers and families. This includes charging for care and support for people who fund their own care and extending the financial support local authorities can offer to people who live in care homes to avoid someone having sell their home during their lifetime to fund their care.

2.2 The Care Act requires all councils to provide a universal deferred payment scheme for their residents who own their home and move to care homes. Local authorities are also given the power to charge for arranging care and support for those with eligible needs who are paying their care.

2.3 London Borough of Richmond upon Thames has proposed to make changes to these charging arrangements coming into effect from April 2015. These include:

1. **Universal Payment Scheme** - extension of the scheme to allow more people to benefit from it. Everyone who meets the scheme’s criteria can ask the Council to pay part of their care when they go to live in care homes until their property is sold in future. There is a one-off fee of £2,500 and interest on the amount owed to the Council. A legal charge is placed on the property as a security for the amount owned until this is paid.
2. **Charges for arranging care at home for people who fully fund their own care** - a weekly fee of £50 to cover the cost of arranging and managing care and support for people who fund their own care at home when they ask the Council to make the arrangement. This charge will apply to people who have financial assets over £35,000 and can arrange and manage their care and support. The charge will not apply to people who are not able to make their own arrangements.

Both proposals affect people who fully fund their care and support. People who do not fund their own care will have a financial assessment to determine their contribution towards the cost of their care and are required to pay an assessed contribution, as at present.

2.6 Consultation has been undertaken to gather the views of local residents on these proposals. The target groups for consultation were people aged 75 and over, who own their own home and who are responsible for fully funding their care and local organisations representing this target group. The consultation lasted from 15/12/2014 to 30/01/2015 for seven weeks.

2.7 As the changes do not directly affect people already receiving care services, this consultation was not sent directly to individual residents or service users, however local residents were able to take part if they wished, by completing the questionnaire.

2.8 During this period, local residents were invited to give their views by:

* + Attending consultation organised by Healthwatch Richmond on 21/01/2015.
	+ Completing the online questionnaire
	+ Completing a paper questionnaire
1. **What did the council want to find out from this consultation?**

3.1 The Council wants to find out:

* whether local residents and local organisations supporting older people understood the proposed changes
* what information and advice people need to help them make decisions on care arrangements or funding their care
* the types of support people would require or prefer to help with financial decision-making.
* How the council could help
1. **How did the Council carry out the consultation?**

4.1 The main method of consultation was through discussion with local residents, service users, carers and partner organisations at an event on 21 January 2015 organised by Healthwatch Richmond. Attendees’ views were gathered at the event from table discussions and individuals were asked to complete their own questionnaire if they wished.

4.2 An online questionnaire was made available on the Council’s online consultation finder and a link to the Care Act webpage was published in December 2014.

4.3 The link to this questionnaire was distributed to the following groups and they were informed and invited to give responses to the consultation.

* + Care and Support Partnership Group (voluntary sector and local

Care providers)

* + Coproduction Group (people who use services and carers)
	+ Healthwatch

4.4 Please see **Appendix 1** – ‘Have Your Say’ which describes the way the consultation process has been conducted and provides background information on the two proposed changes. Attached is the questionnaire used for gathering responses to the consultation.

4.5 **Appendix 2** is the programme /agenda of the Healthwatch event that provides information on how the responses to the consultation were gathered. The proposed changes in the Council’s deferred payment scheme and charges for arranging care are outlined in presentations at this event.

4.6 Roundtable discussions were held and facilitated by the event organizers and facilitators in the Healthwatch event to gather peoples’ views on the consultation proposals. A substantial amount of raw data was gathered from this event in addition to a small number of individual responses to the consultation questionnaire.

1. **Responses and Findings**

5.1 60 people attended the Healthwatch Richmond Consultation event with a mix of service users, carers, other interested local residents, representatives from voluntary organisations and care providers. The main findings from the event are included in this report. As the feedback was obtained from roundtable discussions and panel questions/answers, the results included in this report do not show how many of the 60 attendees held these views.

5.2 In addition to the 60 people participating at the consultation event, there was 1 paper questionnaire and 5 online questionnaires submitted by the end of the consultation period. Notes taken by facilitators at the Healthwatch event were used for analysis of the findings. Where analysis is provided in this report of responses, it mainly refers to the 6 people completing a questionnaire.

5.3 **Appendix 3** is a report on the outcome of the consultation and provides a summary of the responses given in 5 online questionnaires.

5.4 Findings in relation to **‘understanding of these proposed changes’** are:

1. 57 out of 60 attendees at the Healthwatch Richmond event understand the proposed changes
2. 4 out of 6 respondents understand the proposed changes, 1 respondent is unsure and 1 respondent did not answer this question.
3. Only 3 out of 60 attendees at the Healthwatch event did not fully understand the proposed changes.

5.5 The key findings from the consultation event are as follows:

* An acknowledgement that the care funding system can be complex for many people to understand and the need for quality advice which takes an individual’s circumstances into account
* Good information was needed, at an early stage, so that people are not having to make major financial decisions in an urgent situation
* Important to have a range of sources (statutory organisations, voluntary sector, family, housing providers, GP surgeries and churches) as well as more specialist advice for people with wealth
* Specialist advice needs to take into account individual circumstances
* A range of information in different formats is desired as well as the opportunity for face to face advice
* Key organisations, such as Age UK Richmond Upon Thames, Richmond Citizen Advice Bureau, Richmond AID, Community Independent Living Services and the Council were cited as places where people would go to in the first instance for information and advice about funding and arranging their care
* Independent financial advice was recognised as important when making major financial decisions about funding long term care
* Choice of care home provider is important, including the ability to choose a more expensive option, if this is affordable for the individual and it could be funded through a Deferred Payment Agreement
* Some people felt it would be important to seek legal advice about a Deferred Payment Agreement and the consequence of any potential family inheritance.
* Where someone has to arrange their own care, they may benefit from the Council’s expertise due to the complexity
* Where a self-funder has fairly simple care requirements and a less intensive level of care needs, they may be able to arrange their own care quite easily without coming to the Council
* In relation to Deferred Payments, people reflected that they would welcome advice about renting their property
* People wanted to understand how the Council’s Deferred Payment Scheme works in relation to NHS funding for nursing care or continuing NHS healthcare
* People wanted to understand the timescale for the repayment on termination of the Deferred Payment Agreement, as this would affect decisions about the sale of the property by people inheriting a family property.

5.6 The Council will respond to the consultation feedback as follows:

* Clear public information on the care funding system and Deferred Payments Scheme will be available to local residents
* Feedback on the types of information and methods of receiving this information and advice will be taken into account in the development of the Information and Advice Strategy
* The Council will work with its contracted providers of the Community Advices Services and Community Independent Living Services so they can advise residents about how the care funding system works and refer to independent financial advice, where appropriate
* The Council will work out the affordability for the service user of top up fees paid, to reflect a service user’s choice of care home
* Where a self-funder’s care needs are fairly simple to arrange, they will be given advice about other options in addition to the Council for arranging their care
* Clear public information will be made available about the Deferred Payments Scheme, including alternative options for funding care and renting the property

Findings in relation to ‘**types of organisations** **that local residents would approach for information and advice**’ on deferred payments; and on care and support are summarised below.

* 1. Respondents and attendees reported that they would contact a range of local statutory and voluntary organisations for information and advice as well as some national charities. Three organisations, **Age UK, Citizen Advice Bureau** and **Richmond** **Council Adult Social Care** are regarded as first point of contact for people who are looking for information and advice about deferred payments and funding of care.
	2. 15 out of 60 people at the Healthwatch Richmond event would like to see organisations from the voluntary sector providing information and financial advice. Only 2 people would prefer to seek professional legal advice from a solicitor.
	3. People who responded prefer **trusted persons** or **appointed advisors** from the Council to provide free independent information and advice.
	4. Other respondents stated that they will approach family, neighbours and friends, wardens and housing providers, council members, Richmond Carers Centre, Alzheimer’s Society, local residents associations, local churches and GPs for information and advice.

5.6 Findings in relation to ‘reasons for deterring people from renting out their property’ are that:

Attendees generally understood that rental income would be a positive option available, however they recognised that this carries additional risks and responsibilities People understood that they could appoint letting or managing agents to take on this responsibility and who would charge a fee for this service.

* 1. 4 out of 6 respondents stated the additional cost of letting the property
	2. 3 stated other reasons e.g. condition of property; responsibility of being a landlord, possible damage to the property.
	3. 2 respondents felt that they would not know how to rent out their property.

5.7 Findings in relation to **‘types of help and supp**ort’ that people require for arranging their own care and support:

* 1. 5 respondents said they need information about the types of service available locally
	2. 4 would ask for someone to help with planning the delivery of their care and support.
	3. 3 require someone to help with the payment of providers.
	4. One respondent wants support for arranging care

5.8 Findings in relation to ‘**preferred persons to provide support’**

a. 2 respondents prefer to be supported by Council staff and by independent organisations.

b. 1 prefer to be supported by own network of support, such as friends and family.

5.9 Findings in relation to ‘**organisations that people go for advice to help with arranging own care and support’**

1. 4 respondents stated they would go to Council Adult Social Care
2. 3 respondents would go to internet
3. 2 respondents would go to Community Independent Living Service and GP
4. 2 respondents would look for advice in the Council’s website

5.10 Findings in relation to ‘**preferred format for presenting information’** by people who need information and advice on how to arrange care and support

1. Information received in person is preferred format.
2. 2 prefer information to be presented in leaflets or online
3. **Issues raised regarding these proposed changes**

6.1 Some people felt that the one-off administration fee of £2,500 for entry to the Deferred Payment Scheme is considered relatively high, however it was felt that other products may be available from other organisations and there are other options available to many people to fund their care. People would have to make sure they are dealing with a reputable organisation.

6.2 People want independent financial information and advice when they need to pay for their care and support

6.3 The technical aspects of care and support arrangements would need to be explained clearly to people when they ask for them. People would like to be made aware of the different options available for paying their care, so that they are helped to make an informed choice when they go to live in care homes. Information and advice need to be provided in a timely manner.

6.4 With regard to the new Universal Deferred Payment Scheme, people want to know of the time restriction for selling their property if they have a deferred payment agreement with the council after April 2015. For example: what happens if the property has been left to the owner’s children in their will? Will they have to sell straight away when the person dies?

6.5 People wanted to understand the reasoning behind a flat rate fee of £50 where the Council is arranging care at home for self-funders and what was included in this cost.

1. **Conclusion**

60 Attendees in the Healthwatch event provided valuable feedback on the proposed changes which will help the Council in developing its Information and Advice Strategy and in finalising the proposals for Deferred Payments and charging self-funders.

The individual results of the questionnaires provide feedback from a very small sample of residents and these must be viewed in this light.