

REPORT TO: Cabinet Member (Health and Social Care)
Cabinet

DATE: 26 May 2010
10 June 2010

SUBJECT: Charging for the Specialist Transport Service

WARDS AFFECTED: None directly

REPORT OF: Robina Critchley – Adult Social Care Director

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EXEMPT/CONFIDENTIAL: No

PURPOSE/SUMMARY:

To apprise Members of the outcomes of the review of the impact of the introduction of the flat rate charge on all service users who have transport arranged by the Council's Specialist Transport Service.

REASON WHY DECISION REQUIRED:

Cabinet on the 1 October 2009 requested a further report following three months of operating the charge.

RECOMMENDATION(S):

That the Cabinet Member:-

- i. Notes the contents of this report..
- ii. Agrees to the treatment of expenditure in reaching the decision on a appeal, as outlined in paragraph 8 of the report.
- iii. Agrees to a further report on this matter in six months time,
- iv. Forwards the report to Cabinet.

KEY DECISION: Not applicable.

FORWARD PLAN: Not applicable.

IMPLEMENTATION DATE: Not applicable

ALTERNATIVE OPTIONS: None.

Budget/Policy Framework:

Financial: None as a result of this report, however it should be noted that budgetary provision has been made in relation to the attainment of income from this charge.

<u>CAPITAL EXPENDITURE</u>	2008/ 2009 £	2009/ 2010 £	2010/ 2011 £	2011/ 2012
Gross Increase in Capital Expenditure	0	0	0	0
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure	0	0	0	0
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date?	Y/N When?			
How will the service be funded post expiry?				

Legal: N/A

Risk Assessment: There is a danger that some service users will elect not to attend day care. This may expose the Adult Social Care Department to possible additional expenditure to meet the Statutory duties placed upon it.

Asset Management: N/A

CONSULTATION UNDERTAKEN/VIEWS

Head of Corporate Finance and Information Services – FD378 – The Head of Corporate Finance and Information Services has been consulted and his comments have been incorporated.

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Creating Safe Communities	√		
3	Jobs and Prosperity		√	
4	Improving Health and Well-Being	√		
5	Environmental Sustainability		√	
6	Creating Inclusive Communities	√		
7	Improving the Quality of Council Services and Strengthening local Democracy	√		
8	Children and Young People		√	

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

Committee items entitled

Specialist Transport Service

- Cabinet Member, Health and Social Care 24th June 2009
- Cabinet 9th July 2009
- Cabinet 1st October 2009

Introduction

1. Members will recall that the Cabinet Member, Health and Social Care and Cabinet, on the 24th June 2009 and 9th July 2009 respectively approved the implementation, from the 1st October 2009, of a flat rate charge of £3 per day (£1.50 per journey) on all service users who have transport arranged by the Councils Specialist Transport Service.
2. The Council then received a petition from the Sefton Carers Forum which was considered by Cabinet at its meeting on the 1st October 2009.
3. Cabinet on this date resolved under Minute 134: That
 - i. the petition and statement given by Mr. Corscaden be noted;
 - ii. the report be noted, and
 - iii. the Strategic Director of Adult Social Services (Health and Social Care) review the impact of the introduction of the flat rate charge on all service users who have transport arranged by the Council's Specialist Transport Service after three months of operation and submit a report thereon to the Cabinet.
4. This report seeks to address the request in 3iii above.
5. After the 9 July 2009 and prior to the implementation of the charge on the 1st October 2009 the Council received 31 communications by telephone, and 18 by letter objecting to the charge. 5 of these written communications were entered into the Directorate's Customer Complaints system and have been satisfactorily dealt with.
6. Service users are being invoiced based on information provided by the Specialist Transport Unit. There have been some minor hiccups, the main one relating to invoicing service users for trips which have not occurred due to carers arranging pick ups from day centres. This is a matter of communication between the Specialist Transport Unit, the day centre provider and the Adult Social Care department which we are working to improve on.
7. The charge agreed by Members is a flat rate charge. This does not come under the fairer charging policy and there is therefore no financial assessment to establish whether or not a service user can afford the charge. However, there will be genuine cases of hardship where a service user cannot afford to pay the charge. With this in mind the Adult Social Care Department has implemented a Transport Appeal Procedure and this is detailed in Annex A. At the time of drafting this report there were 34 service users who have appealed against the charge.
8. 30 of the 34 have had a visit by one of the Departments Finance Visiting Officers and have provided financial information in support of their appeal. Of the 30, 4 relate to older people, 5 relate to older people with mental illness and 21 adults with learning disabilities. Consideration has been given to 22 of these cases. In the main the expenditure being claimed relates to

expenditure incurred when taking part in activities organised by day centres and general transport costs. If all of the costs claimed were allowed, 9 of the 22 would pay the full transport charge and 13 would be exempt. A matter for consideration is the level of allowance given against expenditure, over and above usual living costs, claimed. It is proposed that expenditure incurred by service users when taking part in activities organised by day centres should be allowed in full.

9. With regard to transport costs, based on appeals received it is difficult if not impossible to relate the costs directly to service users. At the same time, we do not want to operate a overly bureaucratic process. It is therefore suggested that we allow a percentage of travel costs, say 50%. If this were applied to service users who would be exempt from paying a charge if we allowed all expenditure claimed, 7 would still be exempt and 2 would pay the charge in full and 4 would pay a reduced charge.
10. So far there has been a handful of service users/carers who have said that they won't pay the charge. It is too early in the process to assess if this is the case or if this is to escalate into bigger numbers, however attached as Annex B is a brief outline of the Sefton debt recovery procedure. Included in the procedure is a liaison with the appropriate department prior to taking court action and officers would, of course, take the view of Members prior to approving such action.
11. In addition the Adult Social Care Department already has in place an established appeals mechanism in respect of charging and service users have the full right and prerogative to use this facility if they wish. There are details of this subject on the Sefton Website and a leaflet is given to all users at the point of assessment on how to access this facility.
12. At the time of writing this report the Council has received no indications of people electing not to go to their normal day care facility. The Strategic Manager for the Councils Specialist Transport Service also confirms there has been no reduction in the numbers of people using the Councils Specialist Transport Service.
13. It is proposed a further report on Charging for Specialist Transport Services is presented to Members in six months time.

TRANSPORT APPEAL PROCEDURE

Where service users make contact unhappy at the principle of having to pay a transport charge they will be sent a complaints form, these will be dealt with through the usual complaints procedure.

Where service users make contact stating that they cannot afford to pay a charge then further information will be sought in relation to the service user's finances.

Income-Expenditure visit

Although the transport charge is not part of the financial assessment process, all service users will be visited by a Finance Visiting Officer (FVO) to gather up-to-date financial information. The FVO will:

- Gather details of the service user's finances (ensuring that correct benefits are in place), and also maximising the income of household members.
- Confirm that the charge for home care or day care services are correct.
- Identify the actual costs of disability related expenditure.
- Identify any extenuating circumstances.

The financial information will be passed to the Welfare Rights Service (WRS) Manager who will then go through all the service user's income and allowable expenditure.

Income-Expenditure assessment

The Income-Expenditure assessment will detail all the income that the service user has available, and include allowances for some expenditure.

As the transport cost is not part of the Fairer Charging policy then all other income which is disregarded as part of the Fairer Charging calculation will be taken into account. This will include Pension Savings Credit, the mobility component of Disability Living Allowance (DLA) and the highest rate care component of DLA or Attendance Allowance:

E.g. if someone receives the highest rate care component of DLA or Attendance Allowance of £70.35 per week, then only a lower rate of £47.10 per week is taken into account as income under the Fairer Charging calculation. When considering the transport charge the £23.25 difference will be taken into account.

The following expenditure will be allowed:

- Rent/mortgage, service charges, council tax.
- Actual disability related expenditure.
- The charge paid for home care or day care services.
- An allowance for everyday living expenses equal to Pension Credit/Income Support plus 25%.
- Relevant transport related expenditure.
- Relevant expenditure in relation to day centre activities.

The final figure will determine if the service user has income available to pay towards the transport charge.

Further appeal

Where service users are still unhappy with the decision of the WRS Manager then they have the right to appeal further to the Principal Manager (Finance, Contracts, Welfare Rights), a Service Manager and a representative from the Carer's Centre.

Example of how to deal with a non-payment care package case

The charge payer has been sent an invoice but fails to pay.



Reminder sent after 14 days and again no payment or contact has been received.



Final Notice sent after 28 days and again no payment or contact has been received.



The next monthly invoice will go out with the balance b/fwd on, again followed by the reminder and final notice.



If after 2 months there is no contact the Accounts Receivable Section will phone to find out what the problem is and to ask for payment. If contact can't be made, payment is refused or the person is confused or in ill health the case will be marked on Oracle as referred to Health & Social Care.



These cases will be referred each week and will be co-ordinated by the Accounts Receivable Section. They will check to see if there are any other invoices outstanding for the person and they will check Council Tax to get the full picture of the person's indebtedness to the Council.



The Accounts Receivable Section will then refer the cases to Health & Social Care.



Within 21 days the HSC will report back to the Accounts Receivable Section with the details of whether the invoice is to be cancelled, the invoice can be put on hold pending the appeal process or the debt should be pursued. This may result in further liaison between the teams.



If the person is refusing to make any arrangement and the charges are correct, Income will refer the case to Debt Recovery within 7 days for legal action to be taken.



Legal will send out a Letter of Claim and request all copy documents. These will be supplied by HSC within 14 days.