

NORTH YORKSHIRE COUNTY COUNCIL

CARE AND INDEPENDENCE OVERVIEW AND SCRUTINY COMMITTEE

Minutes of the Call In meeting held on 4 April 2011 commencing at 10.00 am at County Hall, Northallerton.

PRESENT:-

County Councillor Tony Hall in the Chair.

County Councillors: John Batt, John Fox, Bill Hoult, Pat Marsburg, Brian Marshall, Dave Peart, John Savage, Melva Steckles, Helen Swiers, Herbert Tindall and Richard Welch (substitute for Joe Plant).

Also in attendance:-

Executive Member: County Councillor Chris Metcalfe

Call-in Signatories – County Councillors John Blackie, Bill Chatt, John Clark, Polly English and Stuart Parsons.

Officers: Derek Law (Corporate Director, Adult & Community Services), Debbie Hogg (Assistant Director of Resources - Adult & Community Services), Carole Dunn (Assistant Chief Executive Legal & Democratic Services), Ray Busby (Corporate Development Officer), Jane Wilkinson (Legal and Democratic Services).

One member of the press was present at the meeting.

Apologies for Absence were submitted on behalf of County Councillor Joe Plant and Peter Popple and Alex Bird (Voluntary Sector).

COPIES OF ALL DOCUMENTS CONSIDERED ARE IN THE MINUTE BOOK

81. CHAIRMAN'S INTRODUCTION

The Chairman outlined the running order for the meeting to ensure that all present were clear regarding the protocol for the meeting.

Members of the Committee voiced support for the order of business as recommended in the Scrutiny Guide. At the request of the Chairman the signatories indicated that County Councillor John Clark would act as their spokesperson.

RESOLVED –

That the following order of business is adopted for agenda item 3:-

- i. Decision taker/s (Portfolio Holder/s and/or Corporate Director) to explain circumstances and reasons for the decision.
- ii. Signatories of call in invited to explain their position and reasons for request for scrutiny committee to consider the issue.
- iii. Decision taker to be given opportunity to respond.
- iv. Representatives of the public or interested/affected organisations to be invited to comment.

- v. Any further comments from the public (overall duration limited to 30 minutes, and no members of the public being entitled to speak for more than 3 minutes).
- vi. Committee discussion and questioning by committee members.
- vii. Summing up by spokesperson of call in request and Executive decision taker.
- viii. Committee agrees its recommendation to Executive decision takers.

82. PUBLIC QUESTIONS OR STATEMENTS

The Committee was advised that no notice had been received of any public questions or statements to be made at the meeting.

83. CALL IN OF THE DECISION OF THE EXECUTIVE MEMBER – ADULT AND LIBRARY SERVICES RELATING TO UNIT COSTS FOR ADULTS SERVICES

- (i) The Chairman invited the decision takers: Executive Member County Councillor Chris Metcalfe to explain the circumstances and reasons for the decision.

County Councillor Chris Metcalfe referred to Appendix C (report considered by the Executive on 8 March 2011) and said the reason the Executive had agreed to implement the new charging policy was because it was fairer and more transparent than the previous inequitable form of charging. The new policy was in line with guidance issued by the Department of Health in 'Fairer Contributions'. The advent of personalised budgets meant there was a need to be more transparent and to provide services users with financial information on the full and actual cost of purchasing services from the County Council. Reviewing the charges for social care was a clear consequence of the Executive's decision to introduce a new charging policy. The new rates reflected the real cost of the services provided, unlike previously where the scale of fees contained hidden subsidies. The new rates provided customers with freedom of choice and meant that for the first time in this respect operators from the voluntary/private sector were competing on equal financial terms.

- (ii) The Chairman invited the signatories to speak and explain the reasons for requesting a scrutiny committee to consider the issue.

The signatories said the decision was of concern for the following reasons:-

- The report and decision record contained no practical examples of how the new rates would be applied.
- The increases were prohibitive and would lead to reduced take-up and the impact of this on the future viability of the service had not been properly analysed.
- The report contained no benchmarking data on other service providers.
- The number of service users currently using the services affected by the increased charges was not known.
- No information has been provided on how the new rates had been calculated.
- The guidance issued by the Department of Health on the new charging policy is not mandatory.
- North Yorkshire has a high percentage of older people living in rural areas who as a result of the increased fees will have reduced access to services this is inconsistent with key objectives identified in the County Council's Service Plan.
- The affect on those electoral wards in North Yorkshire that score highly on the Index of Deprivation has not been properly considered.

- Many older people will refuse to undergo an assessment of their means: the long term effect could be increased hospital admissions and ultimately services users with more complex needs that are more expensive to meet.
- A lack of local alternative provision.
- Lack of access to services will result in older people being lonely and isolated.
- The higher fees will ultimately have to be paid by the County Council once services users capital falls below the statutory threshold (currently£23,250).
- Increased fees will result in reduced take-up and reduced opportunities for respite for carers. The increased pressure on carers will lead to more service users being dependent upon residential care at an increased cost to the County Council.
- Transport costs have not been taken into account.

(iii) Response of decision taker

County Councillor Chris Metcalfe emphasised that his decision had not been driven by a requirement to cut services. The objective was to provide service users with choice and transparency. The new rates would also support the County Council's partnership working with the voluntary/independent sector to develop a diverse and successful market. Practical examples of the impact of the charges could never be wholly accurate because of the unpredictability of customer choice. He acknowledged that some people would be reluctant to undergo a financial assessment but said that those that did would be assessed in person on an annual basis. Because the assessment was means tested, the expectation was that for the vast majority of people there would be no major change. He gave assurances that the Directorate would closely monitor the situation and provide regular reports to the Care & Independence Overview & Scrutiny Committee.

On behalf of the decision taker a schedule of benchmarking data of charges for social care services made by the voluntary/independent sector was tabled at the meeting and a copy placed in the Minute Book.

- (iv) There were no contributions from the public or interested organisations; as none were present.
- (v) As (iv) above there were no further comments from the public.
- (vi) The Chairman then invited comments from Members of the Committee.

Members recognised the need for social care services to change and supported the move towards personal budgets.

Members were reassured that the effect of the charges would be closely monitored with regular reports provided to the Care & Independence Overview & Scrutiny Committee.

A Member made the general comment that all executive reports should by way of good practice contain a proper risk analysis.

- (vii) The Chairman invited the spokesperson for the signatories and the decision maker to sum up in turn.

Members questioned the veracity of the stated grounds for making the decision, namely transparency and the desire to align service charges with those of the voluntary/independent sector. The information on the tabled schedule revealed that for the fee payer, the County Council had moved from being the cheapest to being one of the most expensive providers. The argument put forward that the County

Council needed to make its charges more realistic did not stack up as the County Council had in effect priced itself out of the market. The tabled schedule showed that approximately 75% of independent/voluntary sector charged less than the going market rate. The signatories argued that the decision left vulnerable people disengaged from the County Council. The economic realities were such that the new increased rates would adversely affect the market by encouraging encourage the independent sector to increase its charges.

The signatories acknowledged that the previous rate of £2 per day for day care was unrealistic but said that any increases should have been introduced incrementally to soften the financial impact.

The Corporate Director – Adult & Community Services said that the independent sector had for many years complained that by directly subsidising its in house services the County Council destabilised the market and compromised their business. The cost of County Council services was high due to staff terms and conditions of employment. In addition the services being compared are not comparable and will be for individuals to choose the most appropriate service to meet their needs. It was not the responsibility of the County Council to be competitive with the independent/voluntary sector but it did have a responsibility to open and transparent and reflect the true cost of its services.

Whilst a thorough risk analysis and equalities impact assessment had been undertaken at every turn, the Executive Member acknowledged the comment about this being evidenced in reports.

The Chairman advised that when the Committee had reviewed the results of the consultation exercise, it had been agreed that the effects of the revised charging scheme would be reported to the Committee in September. He thanked everyone for their contribution.

- (viii) At the invitation of the Chairman, those Members of the Committee who were eligible, voted on whether the decision the subject of the call-in should be referred back to the decision taker or to full Council.

RESOLVED –

That the Committee does not wish to refer the decision concerning Unit Costs for Adults Services – Revised Schedule of Charges For Full Cost Payers made on 14 March 2011 back to the decision taker or to full Council.

In the light of the above decision the signatories be invited to attend the September meeting of the Committee when the first of a series of monitoring reports on the impact of the new charges would be taken.

The meeting concluded at 11.45 am.

JW/ALJ