

## Appendix 1: Universal Deferred Payments - Feedback from Consultation

### 1. Methodology

- 1.1 Public consultation commenced on 9 September and ended on 21 October 2014. The main way of consulting was through a webpage and an online survey. In addition to the online survey the hard copies of the survey was sent out to voluntary sector organisations in the borough and presentations made to partnership board meetings

### 2. Feedback results

- 2.1 There was a low response to the survey (12 people responded). This low response rate can in part be attributed to the complexity of subject area and to the limited numbers who would be affected by the proposed introduction of universal deferred payments.
- 2.2 Despite the low return rate, the outcome of the consultation was used to feedback into the proposals and recommendations on the universal deferred payments scheme.
- 2.3 **Question: Do you think the maximum rate Barnet Council should offer a deferred payment should be set at the rate the Council usually pays care providers or the rate a person pays because they choose more expensive accommodation?**

Answer Options	Response Percent	Response Count
The rate the Council usually pays care providers	36.4%	4
The rate a person pays because they choose more expensive accommodation	63.6%	7

#### Some feedback comments:

*"I think it is only fair that if people opt for more expensive accommodation they pay more"*

*"It should be flexible allowing people to go to the higher cost if they wish to"*

#### Response to feedback

- 2.4 It is recommended in the committee report to Adults and Safeguarding that the proposed universal deferred payment scheme for Barnet Council incorporates the option of deferred payments generally at the amount the person actually pays for care.

- 2.5 **Question: To what extent do you agree or disagree that Barnet Council should consider having a scheme which provides deferred payments for people receiving other care services**

Answer Options	Response Percent	Response Count
Strongly agree	36.4%	4
Tend to agree	36.4%	4
Neither agree or disagree	0.0%	0
Tend to disagree	9.1%	1
Strongly disagree	18.2%	2
Don't know	0.0%	0

**Some feedback comments:**

*"Individuals who are able to receive care in the community should also be allowed to pay for their care in a similar manner, if they so wish".*

*"the council should pay for it - it should not come from the value of the property - again it would not be fair to people who do not have a property".*

**Response to feedback**

- 2.6 It is recommended in the committee report to Adults and Safeguarding that deferred payments are offered to people moving into supported living on a 'case by case' basis and that further options around offering deferred payments receiving community based care services should be developed.
- 2.7 **Question: To what extent do you agree or disagree that Barnet Council should consider having a scheme which accepts other forms of security? (Please tick one option only).**

Answer Options	Response Percent	Response Count
Strongly agree	18.2%	2
Tend to agree	9.1%	1
Neither agree or disagree	9.1%	1
Tend to disagree	27.3%	3
Strongly disagree	27.3%	3
Don't know	9.1%	1

**Some feedback comments:**

*"Assessment of the value of other forms of security could be manipulated in Barnet's favour"*

*"I cannot see the benefit of this idea, and there could be a disadvantage if the 'security' from another person failed"*

### **Response to feedback**

- 2.8 It is recommended in the committee report to Adults and Safeguarding that the requirement to exercise discretion and accept other forms of security will be incorporated within the universal deferred payments guidance and procedures.

- 2.9 **Question: To what extent do you agree or disagree that Barnet Council should charge interest to cover the costs of the scheme?**

Answer Options	Response Percent	Response Count
Strongly agree	18.2%	2
Tend to agree	27.3%	3
Neither agree or disagree	9.1%	1
Tend to disagree	0.0%	0
Strongly disagree	45.5%	5
Don't know	0.0%	0

### **Some feedback comments:**

*"Barnet should charge interest at the prevailing Bank rate plus a charge to cover handling. To put the two together is not transparent".*

*"Should be self-financing scheme"*

### **Response to feedback**

- 2.10 It is recommended in the committee report to Adults and Safeguarding that interest charges will be made to cover the costs of the scheme. There was mixed feedback from the consultation on the proposal to charge interest. To ensure the scheme is financially sustainable it is recommended that interest is charged.

- 2.11 **Question: To what extent do you agree or disagree that Barnet Council should charge an administrative fee to cover the costs of arranging the deferred payment?**

Answer Options	Response Percent	Response Count
Strongly agree	18.2%	2
Tend to agree	27.3%	3
Neither agree or disagree	0.0%	0
Tend to disagree	18.2%	2
Strongly disagree	36.4%	4
Don't know	0.0%	0

### **Some feedback comments:**

*"Councils need to cover their costs".*

*"This cost should be absorbed by the council".*

### **Response to feedback**

- 2.12 It is recommended in the committee report to Adults and Safeguarding that administrative charges will be made to cover the costs of the scheme. Similar to the proposal on charging interest, there was mixed feedback from the consultation on the proposal to make an administrative charge. To ensure the scheme is financially sustainable it is recommended that there is an administrative charge to cover the costs providing the deferred payment.

- 2.13 **Question: Please tell us below your views on the Barnet Council's draft deferred payments policy**

### **Some feedback comments:**

*"Deferred payments for care homes are necessary as it is sometimes difficult to sell homes quickly. However, tenancy schemes to pay for care homes could be useful and also create more rental properties"*

### **3. Response to feedback**

- 3.1 Adults and Communities do not currently have anyone who receives a deferred payment which may partially explain the low response rate to the consultation. Universal deferred payments is also a complex area of legislation. Although the numbers of people who responded were low, the comments and feedback were used to shape the overall policy.

### **4. Feedback from the Labour Group**

- 4.1 In addition to the general public feedback on the universal deferred payment proposals the Labour Group provided feedback on two specific issues:
- No interest should be charged under the scheme where the person owning the home agrees to Barnet Homes using the property for temporary/emergency accommodation.
  - The scheme should be administered by the council's finance/treasury service rather than by Adults and Communities

## **4.2 Response to feedback**

### **Waiving interest charges**

- 4.2.1 The report to Adults and Safeguarding Committee on 26 January 2015 recommends allowing for the Director of Adults and Communities in consultation with Chairman of the Adults and Safeguarding Committee to agree and finalise the universal deferred payments guidance and procedures.
- 4.2.2 It is proposed in the committee report, paragraph 2.20 that the option of allowing a full or partial disregard of rental income is developed. This would be developed as an alternative to waiving interest charges.
- 4.2.3 Implementing a disregard on rental income would:
- Bring immediate cash benefit to the person applying for the deferred payment rather than a waiver of interest charges;
  - Be simpler to administer than a waiver of interest charges.
  - Incentivise people in to rent out their property.

### **Administration of the scheme**

- 4.2.4 The council's finance team, Customer Support Group (CSG), is already responsible for income collection and debt recovery for social care contributions. Harrow and Barnet Public Law are responsible for putting legal charges in properties. The Adults and Communities customer finance functions closely with CSG and Harrow and Barnet Public Law to collect social care contributions and recover debt.
- 4.2.5 The expansion of deferred payments under a universal deferred payments scheme would build on existing business processes. The new case management system for Adults and Communities will also deliver an integrated solution for customer finance functions under the Care Act: care accounts; financial assessments; deferred payments. Retaining universal deferred payment administrative functions within Adults and Communities delivery unit would be more efficient, utilising the new case management system whilst building on established debt and income recovery processes between CSG and Adults and Communities as the universal deferred payments scheme is implemented. Adults and Communities would undertake the initial financial assessment and CSG would be responsible for monitoring bad debt and debt recovery.