

PE1533/O

Petitioner Letter of 24 September 2015

Mr Michael McMahon
Chair of the Petitions Committee
Scottish Parliament

Dear Mr McMahon

We are happy to hear that the Scottish Government is actively discussing with COSLA about tweaking the different parts of the social care charge calculation, but we are still committed to the ending of all social care charges in Scotland. Our position remains that social care charging breaches the rights of disabled people by denying them access to the same rights other people enjoy without paying a charge. No one asks children to pay before allowing them access to education, nor would refugees be asked to pay charges before being given asylum. But social care charging has become so much part of the fabric of our society that we have to continually restate our campaign is not about tinkering at the edges but about the human rights of disabled people to live with respect and dignity.

Raising the Minimum Income Threshold that applies in the Financial Assessment for social care charging is important. Currently 22 councils affecting 60% of the Scottish population claim that disabled people under 65 need less than £6,500 a year to live on. This really cannot go on and we are glad to hear that the Scottish Government plans to address this.

We believe that if the income threshold is to be adjusted, it should be to a single level for all people regardless of age - £177 per week. This is the current level applying in all local authorities for people over 65 and in 10 local authority areas for people under 65. Anything less would risk the Scottish Government colluding in age discrimination.

The Equality Act 2010 bans age discrimination in the provision of services such as charging if there is some special reason, "objective justification" or the different treatment is required by law.¹

Moving to this new higher figure will make disabled people better off by between £7.50 in the Orkneys to £50 per week in Glasgow. But there will be a costs to this. There are far more people in Glasgow than Kirkwall so our own estimates suggest that if there is to be no net cost to local authorities then we are talking about a level

¹ Equality Act 2010: Banning age discrimination in services, public functions and associations, Government Equalities Office, 2012

of financial compensation in the region of 40% of the current income from service users under the age of 65, about £10 million based on COSLA's own figures. We cannot be sure about this level and the final figure may be significantly higher. The committee will also be aware that there is a second financial discussion currently taking place between COSLA and the Scotland Government over social care charging and we are surprised that the Cabinet Secretary has not mentioned this second discussion in her response.

Both the Finance Committee and the Health and Sport Committee have raised concerns over the additional costs that may arise from exempting carers from social care charging where a service was directly attributable for them.

Whilst the Scottish Government has not indicated what the cost of this might be but we understand that COSLA has placed a figure in the region of £20 million on the financial level they require. This may be a high opening bid and the figure settled on after negotiation may be significantly lower.

Nonetheless adding these two figures gives a sizeable investment of up to £30 million by the Scottish Government to resolve just two of the many problems caused by social care charges. £30 million to treat the symptoms and not resolve the problem is a massive risk.

Local authorities are under massive financial pressure. As long as local authorities are allowed to charge for social care, they may be held neglectful of their duties if they fail to do so.

There are many ways to increase care charges. For example we may quickly find that the minimum income threshold becomes the maximum income level as council raise their taper rates up to 100% of income above this level.

2 of the 10 councils who already have the higher minimum income threshold of £173 per week already have the highest level of 100% taper. But the other councils could easily raise this taper in coming years, clawing back more money from disabled people while keeping the new money from the Scottish Government.

Without firm commitments to ensure that local authorities do not increase other elements of the care charging system then any tweaking initiative will be quickly wasted. We would like the Petitions Committee to seek clarification from the Scottish Government that they will include such firm commitments in any arrangements they are developing.

However rather than go for "firm commitment" which are worth what the lawyers say they are, the £30 million proposed would be enough to end the Mean Test that is applied in Social Care Charging.

Means tested services such as care at home, respite and day care raises about £30 million with another two flat rated services– Community Alarms/Telecare and Meals Services – generate £20 million.

The latter two of these services seem reasonably priced – community alarms are between £1 and £5 per week while meals at home average £3 each but since the number of people having to pay on a flat rated basis is quite large, there is a significant overall contribution to Local Authorities from these services. £15.3 million in charges for community alarms.² And a total of £5.3 million annually in charges for meal services³.

In fact ending the Means Test will cost less than has already been proposed. The committee will remember from the Cabinet Secretary's evidence in March that 15% to 20% of what is raised goes towards the costs of collection, at least £5-6 million. Removing that cost means that the net income needing to found would be about £24 millions.

Even my basic maths tells me that the Scottish Government and COSLA are already talking about financial compensation at this level and it would only be a small jump across to a more thorough discussion about the future of means tested social care charging.

If they don't do this then there are many more problems that might emerge needing attention (and more money!). Here are just 3 and we are happy to explain further about these if the committee would like

- Treatment of income from couples
- Treatment of Carer Allowance as income for care charging purposes
- Age Discrimination in Free Personal Care

We would be grateful if the Petitions Committee could write again to the Scottish Government to urge them to consider their approach in light of the overall levels of financial compensation COSLA is seeking from them.

A final point we would like to make is our disappointment that once again the Scottish Government says that "the COSLA Charging Guidance working group remains the most appropriate forum for considering issues related to charging for non-residential social care, including discussion of options to raise thresholds or otherwise improve the fairness of the system."

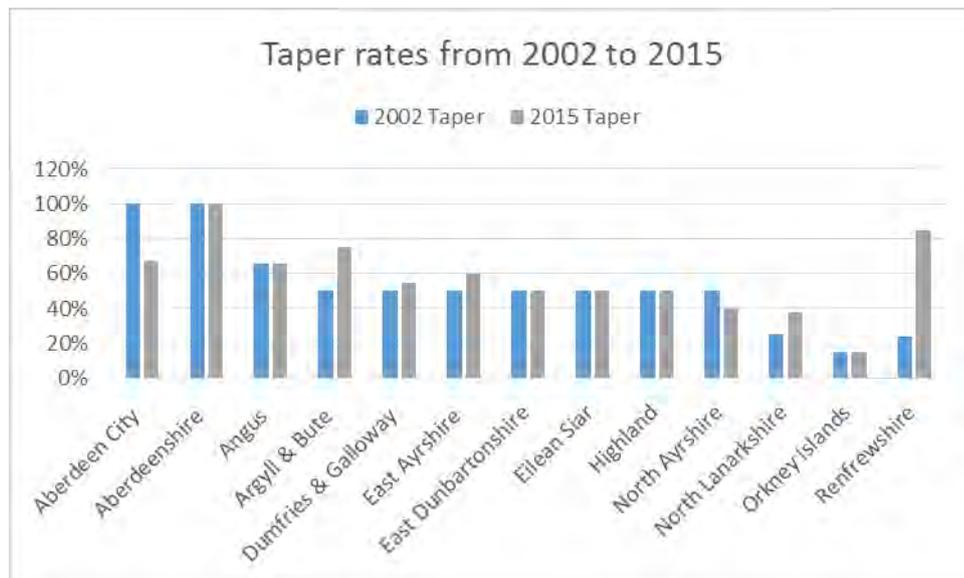
It misses the point made time and again that this group is set up to "improve consistency" which may mean making things consistently unfair.

² <http://www.idascotland.org/docs/Comparative%20Information%20on%20the%20Care%20Tax.pdf>

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Recently we compared information collected by COSLA in 2002 about care charging rates and looked at the same features in the current year. The table below shows how little has actually changed in the last 13 years.

This bar chart shows data concerning the taper or tax rate from councils where figures were available for both years. It shows that two councils have reduced their taper rate, five have increased theirs and six have made no change.⁴



The 2002 COSLA guidance also proposed a single Income Threshold for all adults of £110 per week. The current 2015 guidance proposes an income threshold of £123 for adults, a 12% increase in 13 years.

At the same time the amount of social care charges collected has risen from £10 million in 2001⁵ to £52 million in 2014, a 520% increase.

The COSLA working group on social care charging seems to be less about achieving consistency and more about increasing the amount of money councils can squeeze from disabled people.

Given this we hope the committee can understand our reluctance to participate in this group. Again we would ask the committee to respectfully write to the Scottish Government to set up a genuine round table that can look at the question of social care charges in the true spirit of co-production where all stakeholders, including DPOs, are respected and have an equal status in the process.

Jeff Adamson
Chair – Scotland Against the Care Tax

⁴ <http://www.ldascotland.org/docs/Comparative%20Information%20on%20the%20Care%20Tax.pdf>

⁵ Care Development Group, Fair Care For Older People, 2001