

Delegated Officer Report

Decision Maker: Jayne Ratcliffe – Director of Adult Social Care (DASS)

Date of Decision: 9 July 2024 (Finance DMT) & 23 July 2024 (ASC DMT)

Subject: The transfer of the Client Finance team into Corporate Finance Services

Report Author: Claire Hooley – Assistant Director of Commissioning and Market Management (ASC)
and
Julie Smethurst – Assistant Director of Revenues and Benefits (Finance)

Ward (s): Not applicable

Reason for the decision: For the approval of the transfer of the Client Finance team to Corporate Finance services, under the Assistant Director of Revenues and Benefits.

Summary: A review of the functions the Client Finance team currently situated in Adult Social Care has been conducted by adult social care and corporate finance colleagues, concluding in the recommendation for the transfer of the Client Finance team and the majority of its functions to be transferred into the Finance Directorate under the responsibility of the Assistant Director for Revenues and Benefits.

The Assistant Director for Revenues and Benefits is leading a review, the aim of which is to develop a resident focused financial support function working in synergy with the Teams responsible for the billing and collection of Council Tax. It has been assessed that the functions the Adult Social Care Client Finance team is responsible for will fit well with this support function, which would include assessed adult social care contributions for services and collecting outstanding debt. Introducing new ways of working, leveraging existing automation and maximising digital options, with the objective of improving resident experience and income maximisation, helping to improve debt collection rates for the Council and reduce the amounts of debt owed by residents.

About Client Finance and its functions

Adult Social Care Financial Assessments

It is a requirement for Councils across England to financially assess (otherwise known as ‘means test’) individuals who meet eligibility criteria for receiving support through Adult Social Care. The main rules governing eligibility for local authority funding support are set out in the Care Act 2014 and in The Care and Support (Charging and Assessment of Resources) Regulations 2014 (S1 2014/2672)¹, as amended. Further details are provided in the Care and Support Statutory Guidance, published by the Department of Health and Social Care².

Very broadly, whether a person is eligible for local authority funding depends on how much capital they have:

- Care Home residents with more than £23,250 in capital (the upper capital limit) are not eligible for local authority funding support.
- Care Home residents with capital between £14,250 (the lower capital limit) and £23,250 (the upper capital limit) are eligible for funding support but must contribute a ‘tariff income’ of £1 per week for every full or part £250 above the lower limit towards the cost of their care.
- Care Home residents with capital below £14,250 are eligible for funding support and are not charged any ‘tariff income’ – the capital is completely disregarded.

While these limits are rigid for care home residents, local authorities have discretion to set higher (but not lower) limits for people receiving care in other settings (for example, in their own home).

The Client Finance team is responsible for conducting Oldham residents’ financial assessments, which assesses whether individuals are required to make financial contributions towards their care and support. This is an average annual income of around £10 million which contributes to the overall gross budget for Adult Social Care. The amounts received through client contributions in the last three financial years are:

2021/22	£8.5m
2022/23	£10m
2023/24	£11.2m

This money received into Adult Social Care via client contributions from their financial assessments is vital to the running of the department.

The Client Finance Team

The staffing budget in 2024/25 for the Client Finance Team is £270k. The Client Finance team consists of:

¹ [The Care and Support \(Charging and Assessment of Resources\) Regulations 2014 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

² [40573_2902364_DH Care Guidance accessible pdf \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk)

- 1 FTE Team Manager (Grade 9)
- 4 FTE Client Finance Officers (Grade 5)
- 2 FTE Case Workers (Grade 3) (both currently vacant).

We have an agency worker in, who is currently funded via the two vacant posts above, and whose contract comes to an end 30th June. It has been assessed that the team does not require two assistant posts, and as a result will support the in-year vacancy management target and likely to be put forward as an in year saving thus reducing the establishment of the service going forward.

The current established structure is presented below at Appendix 1.

Deferred Payments

In addition to undertaking financial assessments for Oldham residents, the team leads on engagement with individuals on a deferred payment scheme. The value of a person's main or only home is always disregarded as capital if they are receiving care in a setting other than a care home (that is, it does not count towards the £23,250 upper capital limit). The remainder of this section covers the situation regarding care home residents.

When a person is resident in a care home, their home may be included in the means test, meaning they could have to sell it in order to pay for their care.

A deferred payment agreement (DPA) is essentially a loan given by a local authority, which is usually secured against the value of a person's property. The intention is to allow the person to delay paying their care costs until a later date and thus avoid having to sell their home in their lifetime to pay for residential care. However, as the name suggests, payment of care home bills is only deferred – they must be paid by the person (or a third party) at a later date. A person may also be charged administration costs and interest. The detailed rules are set out in [The Care and Support \(Deferred Payment\) Regulations 2014 \(SI 2014/2671\)](#).

Adult Social Care Debt

A review was commissioned to be undertaken in 2023/24 which focused on ways of working, systems, and processes of the teams involved in the council's collection of ASC Debt. The review was part of the Council's Income Optimisation Programme and was required due to the levels of adult social care debt.

The review also took into consideration the working environment teams involved in ASC debt collection are operating within. It is recognised that the demand on the Client Finance team has increased significantly over the years, with the team at times working at 30% capacity, providing no resilience to maintaining the incoming work and managing the collection of ASC debt appropriately. In addition to this, it is noted that teams struggle to recruit experienced staff members and struggle to retain staff once they are trained and experienced in the field.

The combination of the increased demand and difficulties in maintaining sufficient resources has resulted in teams and team members being required to do more in less time. Therefore, it has been concluded, as a result of the review, that improved, more efficient ways of working are going to be required to try and meet the challenges posed by this environment.

What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):

Option 1 is to proceed with the transfer of the Client Finance team, following consultation having been held with the team and no feedback received which would mean progressing otherwise.

Option 2 is to stay as is and not make any changes to where Client Finance team sits within the Council.

It is recommended to proceed with Option 1 and progress with the transfer of the Client Finance team to the responsibility of the Finance Directorate under the Assistant Director for Revenues and Benefits (Julie Smethurst).

It's important to recognise that whilst the transactional activities of Client Finance will sit with the Revenues and Benefits service area, the policies and procedures for the Adult Social Care workforce remain the responsibility of Adult Social Care. For example, it remains Adult Social Care's responsibility to ensure that its workforce is cognisant of adult social care financial assessments, and take every opportunity to sensitively advise everyone in contact with adult social care of this, and direct team to useful and robust information, advice and guidance. To ensure that there is ongoing clarity on roles and responsibilities a Joint Working Protocol is under development to provide this overview and understanding between the directorates.

In the first instance, the move of the Client Finance team will be a 'lift and shift' model, meaning that there will be no changes to the team and its currently employed and full time equivalent establishment (FTE) which is described earlier in

the report. (Details of the transfer have been mapped out in a Transfer Plan and in Appendix 2.)

However, linked to the *Income Optimisation Programme* that Revenues and Benefits service area is conducting, there may be changes to staffing, and the structure of the service, once a wider review has been completed on all teams within this service area. At the point of any changes to the staffing make up of Client Finance, a full consultation programme will take place following HR procedures and advice.

Option 2 is not considered viable due to staying 'as is' will result in the Council not being able to achieve the goals of the Income Optimisation Programme which are:

1. To maximise residents' income from local and national benefits schemes and welfare provision, as well as reductions, discounts and exemptions from local taxation.
2. Improve the Residents experience when contacting the Council, taking a holistic approach to each contact.
3. Increase revenue collection by maximising in-year percentage collection rates.
4. Introduce new efficient ways of working to make processes as lean and automated as possible, with multi-skilled assessors providing resilience across all financial assessment functions at peak times; i.e., Benefits and ASC financial assessments.

Consultation: including any conflict of interest declared by relevant Cabinet Member consulted.

As per the HR advice received, a 10 day consultation period has been required to take place with the Client Finance team as the material change is the line reporting from Adult Social Care to Revenues and Benefits.

The timeline for this consultation period is below:

Activity	Date	Progress
Meet with TUs	13.6.24	Complete
Meet with the Team	21.6.24	Complete
10 day consultation starts	21.6.24	Complete
10 day consultation ends	1.7.24	Complete
Review of consultation feedback	1.7.24 – 5.7.24	In train
Report considered at ASC DMT/Finance DMT	9.7.24 (Finance) 16.7.24 (ASC)	Dates confirmed
Indicative date of team transfer pending consultation and approvals	22.7.24	To be confirmed

Consultation has taken place with Trade Union representatives and the team members. During the 10 day consultation feedback process the feedback raised were supportive of the move.

Recommendation(s): Option 1

It is recommended to proceed with Option 1 and progress with the transfer of the Client Finance team to the responsibility of the Finance Directorate under the Assistant Director for Revenues and Benefits (Julie Smethurst).

Implications:

*What are the **financial** implications?*

There are no financial implications in moving the existing staffing budget to a different directorate.

*What are the **legal** implications?*

There are no legal implications if the recommended departmental restructure is approved.

*What are the **procurement** implications?*

There are no procurement implications if the recommended departmental restructure is approved.

*What are the **Human Resources** implications?*

Early engagement has taken place with trade unions and formal consultation with both employees and trade unions. This is a merger of two services and no one is at risk of redundancy. Any future redesign will be undertaken in accordance with council policies and procedures with support and guidance from Human Resources. (Gaynor Boardman)

***Equality and Diversity Impact Assessment** attached or not required because (please give reason)*

Not applicable

*What are the **property** implications*

None

Risks:

None identified.

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution?

Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget?

Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council?

No

List of Background Papers under Section 100D of the Local Government Act 1972:

There are no background papers for this report

Report Author Sign-off:	
Claire Hooley	
Date:	2 nd July 2024

Please list and attach any appendices:

Appendix number or letter	Description
One	Team structure
Three	Transfer Plan

In consultation with Director/Executive Director

Signed :



Title: Cabinet Member for Adult, Health, and Wellbeing

Date: Monday 5th August 2024

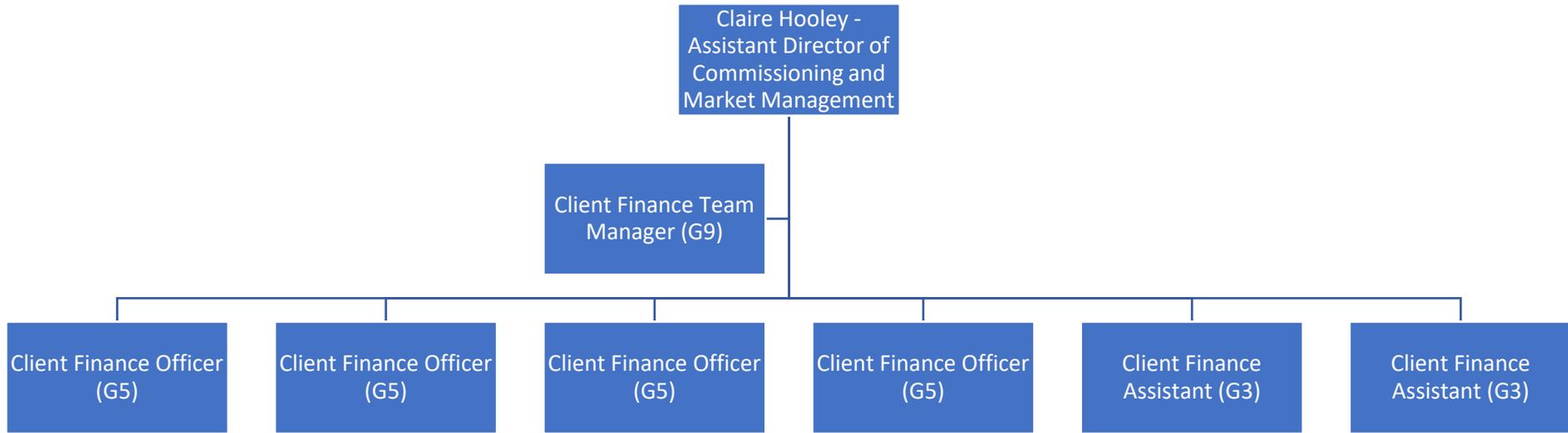
Signed:



Date: Tuesday 30th July

Title: Jayne Ratcliffe (Director of Adult Social Care)

Appendix one – Client Finance Team Structure (ASC) [June 2024]



Appendix two – transfer plan

Client Finance transfer plan				
Activity	Detail	Responsible lead	Timeframe and deadline	Next steps
Staff comms	<ul style="list-style-type: none"> Advise the team on the proposed transfer of their functions from ASC to R&B 	Claire Hooley	As per consultation timeline	<ul style="list-style-type: none"> Agree transfer (desks) Confirm line management arrangements
Directorate/s comms	<ul style="list-style-type: none"> Advise the directorate/s of the move Provide clarity on the process for ASC Financial assessments 	Claire Hooley	Following approval of the DDR	<ul style="list-style-type: none"> Ensure info, advice and guidance is in place for FAs
Office/desk moves?	<ul style="list-style-type: none"> Pending the approval of the DDR Pending the clarification of the date of transfer 	Julie Smethurst	Following approval of the DDR	<ul style="list-style-type: none"> Ensure staff are clear on next steps
Policy reviews	<ul style="list-style-type: none"> Disability Related Expenditure Financial Assessment Appeals Process Residential Charging Policy for Adult Social Care Non-residential Charging Policy for Adult Social Care Deferred Payment Policy for Adult Social Care NEW: Adult Social Care Debt Recovery 	CF Team Manager Julie Smethurst	End of June End of June End of June End of June Cabinet in June	<ul style="list-style-type: none"> Once policies have been reviewed, should there be significant changes to consider engagement routes; including residents, practitioners and partners (such as providers). Following engagement, publish the policies: <ul style="list-style-type: none"> > publish on the website > guidance for staff > implement any changes to systems that are required
Review of procedures	<ul style="list-style-type: none"> Standard Operating Procedures reviewed and updated Standardised letters Website information – including guidance for invoices Consideration of 'ASKSara' (Contribution calculator) 	CF Team Manager CF Team Manager with a Business Analyst Claire Hooley and Julie Smethurst	TBA	

Regular meetings between SROs	<ul style="list-style-type: none">To take place monthly initially, then move to quarterly	Claire Hooley and Julie Smethurst	In development	Outlined in the JWP
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