

PEOPLE OVERVIEW AND SCRUTINY COMMITTEE

4 June 2026

Consultation on Proposed Changes to Adult Social Care Contributions Policy

Report by Corporate Director of Adult Social Care

RECOMMENDATION

1. **The Committee is RECOMMENDED to**
 - i. Note the public consultation on proposed changes to Adult Social Care Contributions Policy; and
 - ii. Make recommendations on the specific proposals to be taken into account as part of the consultation.

Executive Summary

2. Adult Social Care support is subject to charges. The extent to which individuals are required to contribute towards the cost of their care is determined through a financial assessment. In accordance with the Care Act 2014 and national guidance, Councils routinely review charging arrangements to ensure they remain responsive to current financial circumstances and best practice.
3. Oxfordshire County Council is consulting on proposed changes to how it charges for some adult social care services provided to people at their homes. The three proposed changes are
 - reducing the initial Disability Related Expenditure (DRE) allowance
 - introducing a charge for transport arranged by Adult Social Care
 - introducing a charge for everyone who uses telecare services.
4. The consultation process will establish how the proposed changes could affect people who use these services.

Background

5. Oxfordshire County Council's Adult Social Care Service supports people to live as independently and safely as possible. The service focuses on providing

tailored support to ensure that people can maintain their independence while having access to the necessary assistance when required.

6. Over 6,800 adults are supported by Oxfordshire County Council's Adult Social Care, which includes older people and people with learning disabilities, physical disabilities and mental health needs. The council spends approximately £330 million a year on adult social care.
7. In contrast to health services, adult social care is not provided free at the point of delivery; it is subject to means testing. The Care Act 2014, alongside relevant national guidance, permits local authorities to levy reasonable charges for care, determined by an individual's financial circumstances.
8. The Adult Social Care Contributions Policy explains how the council works out whether someone needs to pay towards the cost of their care, and how much they may be asked to contribute. This policy is reviewed annually to ensure charges reflect the current national and local policy guidance, the Council's budget and cost of the services.
9. The council has a statutory duty to set a balanced budget each year. This means that any funding gap must be addressed through a combination of savings, income generation, and use of reserves. In the context of a £5.4 million gap in 2026/27 and a forecast £27.2 million reduction in government funding by 2028/29, the council is required to act now to ensure financial sustainability. This includes a programme of public consultation, with specific focus on Disability Related Expenditure (DRE), telecare services and transport charges.

Proposal 1: Reducing Initial Disability Related Expenditure (DRE) allowance

10. When Oxfordshire County Council determines an individual's contribution towards their care costs, it is essential to take into account any additional expenses they may incur as a result of their long term health condition or disability. These additional costs are referred to as Disability Related Expenditure (DRE). In accordance with current local policy, individuals are able to retain an initial 35 per cent of their disability benefits such as Personal Independence Payment (PIP) daily living component, Disability Living Allowance (DLA) care component, or Attendance Allowance, to assist with covering these expenses, which may include increased heating costs, additional laundry requirements, specialist clothing, and necessary equipment. It is recognised that these benefits are specifically intended to help meet the extra costs arising from disability or age, and their use for such purposes is in line with the aims of these payments. This approach is regularly reviewed to ensure it remains aligned with evolving national and local policy guidance.
11. We carried out a benchmarking exercise through the National Association of Financial Assessment Officers (NAFAO) to compare Oxfordshire's initial DRE rate with other Local Authorities. There are different approaches to DRE assessment:

- a) Individual Assessments (Case by Case). This approach requires a financial assessment officer to review all expenses directly related to an individual's disability. This approach is very cumbersome and places an onerous burden on people receiving services.
- b) Standard or Banded Allowances: Some local authorities offer set weekly allowances based on the level of disability benefit (e.g. higher or lower rates of DLA.) This approach does not align with annual uplifts in benefits and is overly restrictive.
- c) We have adopted a mixed or Top up approach where a base rate is accepted automatically but an individual can request a tailored assessment if their actual costs exceed the standard rate. This is a much more streamlined and efficient approach. This approach reduces the burden on people to submit invoices for every expenditure incurred on disabilities and provides a fair and proportionate approach that respects individuals' privacy and dignity, reducing the need to disclose sensitive personal information while still allowing for individual circumstances to be considered where necessary. This approach reduces administrative burden for staff by avoiding the routine processing of large volumes of receipts.
12. The comparison showed that Oxfordshire's 35 per cent allowance is much higher than the average disability expenditure and what is offered by other local authorities. We propose to reverse the initial DRE allowance from 35 per cent back to 25 per cent of disability benefits, which brings it in line with the average disability expenditure without the need to provide evidence.
13. The table below shows how much DRE people would keep if the initial DRE allowance were reduced from 35 per cent to 25 per cent.

Benefit	Award Amount	35% allowance	25% allowance	Difference
Attendance Allowance Higher DLA Care Higher PIP Daily Living Enhanced	£114.60	£40.11	£28.65	−£11.46
Attendance Allowance Lower DLA care Middle PIP Daily Living Standard	£76.70	£26.85	£19.18	−£7.67
DLA Care Lower	£30.30	£10.61	£7.58	−£3.03

14. The proposed 25% initial Disability Related Expenditure allowance represents a balanced and proportionate approach. It aligns Oxfordshire more closely with the practice of other local authorities, while remaining sufficient to meet typical disability-related costs without requiring evidence in most cases. Crucially, the policy retains safeguards through individual assessments for those with higher costs, ensuring compliance with the Care Act requirement to consider actual expenditure. This approach supports fairness, administrative

efficiency, and the long-term financial sustainability of Adult Social Care services.

Proposal 2: Introducing a charge for transport arranged by Adult Social Care

15. Whilst transport can be part of meeting someone's care needs, councils are not required to provide transport to meet those needs. Where they do, most councils charge for transport in some way.
16. Currently, Oxfordshire County Council's Adult Social Care provides and/or arranges transport support in various ways depending on people's circumstances and their support plan. There are 194 people who use Community Support Services transport with 484 trips per week, and 520 trips are provided to externally arranged services.
17. Where possible, we expect people to use active transport options, such as walking, public transport, community transport schemes, or their Motability vehicles. Local authority funded transport is only to be used in exceptional circumstances to meet unmet care and support needs and must be approved by Adult Social Care prior to any travel arrangements being made.
18. We propose to introduce a flat charge of £10 per day when Adult Social Care arranges transport on behalf of individuals. The proposed charge would only apply when transport is arranged by Adult Social Care.
19. People who receive DLA or PIP Mobility can use these benefits to help cover the cost of transport. Where this is not enough, the cost can be considered as part of a financial assessment under Disability Related Expenditure (DRE). If the initial DRE allowance is not enough, we can look at a person's individual situation and where appropriate, the charge may be reduced or waived.
20. The only exception to the above would be for young people who have transport provided by Adult Social Care to attend their school or college placement. Young people who have transport provided by Adult Social Care to attend an educational institution will not be charged. However, if a younger person uses Local Authority transport to attend other activities such as a day service separate from their education provision, then the £10 charge per day would apply.

Proposal 3: Introducing a charge for everyone using telecare services

21. Telecare is an advanced support system designed to promote safety and independence for individuals within their own homes. There are currently around 3500 people who use this service. The service utilises a range of technology, including motion sensors, environmental alarms, and wearable pendant alarms, which are seamlessly integrated to monitor the wellbeing of service users. These devices are linked to a dedicated 24-hour monitoring

centre, ensuring that assistance can be provided promptly in the event of an emergency or unusual activity. In addition to immediate response capabilities, telecare solutions can be tailored to an individual's specific needs, offering reassurance to both users and their families.

22. Telecare is not a service that councils are legally required to provide. Many councils charge for telecare if they provide it. Telecare offers clear benefits in supporting independence, safety and hospital discharge, and for reassurance; The current charging arrangements for telecare in Oxfordshire are:
- People who receive certain benefits are not charged for telecare,
 - People who do not receive these benefits either have a financial assessment to work out how much they should pay or choose to pay the full cost.

In 2026/27, the charge for the telecare service is currently £6 per week.

23. We propose that everyone who uses telecare pays the full cost of the service, which is £9.87 per week. The charge is reviewed annually when the Council sets its budget, fees and charges.
24. Where telecare is being used to support a discharge from hospital, we propose to offer a free 6-week trial of telecare as part of a reablement package. A needs assessment will be completed during this period to determine eligibility under the Care Act. After this 6-week trial period, should the service continue, it will become chargeable.
25. People who already receive other adult social care services, the new telecare cost would be treated as Disability Related Expenditure (DRE). The proposed 25 per cent DRE allowance should cover this cost. If it does not, we will offer an individual assessment and where appropriate, the charge may be reduced or removed.

Why is the consultation taking place

26. Like councils across the country, Oxfordshire County Council is experiencing increasing demand for adult social care alongside significant financial challenges. In addition to managing a budget shortfall of £5.4m in 2026/27, the current financial settlement from Government means the council's grant funding will reduce by £27.2m by 2028/29. Sustained action will therefore be required over the coming months to ensure that expenditure is actively managed within a balanced budget for 2026/27, including addressing these underlying pressures. Delivery of prioritised savings and transformation activity will be critical to reducing the ongoing pressures and enabling the Council to set a balanced and financially sustainable budget for 2027/28 and beyond. Reviewing the contributions policy is one of several steps being taken to help manage rising costs and meet on going demand.
27. Councils are required to consult on changes to charging policies where there may be a material impact on people who use services. Feedback from this

consultation will help with the recommendations alongside financial, legal and equality considerations.

28. If approved, the proposed changes would deliver savings of around £500,000 in 2026/27, increasing to an estimated £1.2m for a full year. This is based on current demand and 26/27 benefits published by the Department of works and pensions, and current estimates helping the council continue to fund essential services during a challenging financial period.

Consultation Process

29. The consultation was launched on 11th May 2026 and will be open for 6 weeks, until 21 June 2026. The six-week period is considered sufficient in this context, given the targeted nature of the consultation, the direct communication with affected individuals, and the provision of supporting information and engagement opportunities.
30. To ensure people can tell us what they think, we designed a comprehensive consultation package including
 - An online survey available at the Council's Let's Talk Platform <https://letstalk.oxfordshire.gov.uk/asc-contributions-policy-consultation>,
 - A paper survey for people who may not access the internet,
 - Two online information sharing events for people who may have questions or require clarification before they respond to the consultation.
 - On going engagement with all key stakeholders such as OXFSN, Age UK, My Life My Choice

Next Steps

31. Once the consultation closes, we will read and analyse all the responses to ensure that all the feedback is considered and prepare a report with recommendations to Cabinet for approval.
32. We will communicate the outcome of the consultation and the rationale of any decisions made.

Corporate Policies and Priorities

33. Adult Social Care's priorities are shaped by our corporate vision and priorities, with particular focus on
 - Tackling inequalities - working with partners to address inequalities focussing supporting on those in greatest need, embedding and implementing our digital inclusion strategy

- Prioritising the health and wellbeing of our residents: working with partners to implement our health and wellbeing strategy prioritising preventative initiatives, and
- Supporting carers and the social care system: deliver seamless services, explore new ways to provide services promoting self-directed support and increasing choice.

Financial Implications

The options put forward within this paper will bring Oxfordshire more into line with other council's policies. The financial effect of this decision would deliver an estimated £0.5m of increased income in 2026/27, increasing to £1.2m for a full year in 2027/28.

Comments checked by:

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Legal Implications

34. The Care Act 2014 Statutory Guidance states that:

8.1 The Care Act provides a single legal framework for charging for care and support under sections 14 and 17. It enables a local authority to decide whether or not to charge a person when it is arranging to meet a person's care and support needs or a carer's support needs.

and where an authority does decide to charge, the Act and its supporting Regulations sets out a framework for determining maximum charges and the financial assessment process.

35. As a general principle, when considering a change to its charging policy which would potentially have an adverse impact on those receiving services, consultation will be required. This will enable the Council to understand the views of those most likely to be impacted by any decision it ultimately takes, and to weigh those views alongside the need to ensure sustainable and cost-effective services for the population of Oxfordshire.

36. There are four minimum requirements of consultation:

- It must take place when proposals are still at a formative stage. This report sets out the options that are being considered and the views of those likely to be affected by any final recommendation is actively being sought,
- sufficient information should be given to permit informed consideration and response. The rationale for the proposals is set out in the report, and the consultation allows for discussion, consideration and alternative options to be proposed,

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