

Subject:	Annual review of Adult Social Care Charging Policy 2022-23		
Date of Meeting:	11 January 2021		
Report of:	Executive Director, Health & Adult Social Care		
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Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 People eligible for adult social care services are means tested to establish whether they must contribute towards the cost. There are around 2400 service users with non-residential care services and approximately 1200 in residential care homes. This includes older people; working age adults with physical disabilities, mental health difficulties and learning disabilities and most people have care services from external providers.
- 1.2 The Care Act 2014 provides council's with a power to charge for care and support services subject to a means test which is set down in government regulations with prescribed limitations.
- 1.3 The current charging policy is attached at Appendix 1 and will be updated once the decision has been made regarding the increase in charges and when the DHSC provides the revised national rates for savings thresholds and allowances. The update will include reference to a recent review of our policy in respect of a legal case in Norfolk. This will confirm that we are satisfied our charging policy complies with Government National Guidance
- 1.4 Most care services, funded by the council, are provided by private organisations and the maximum charge depends upon the fees charged by them. **There are very few chargeable in-house services but where these services are provided by the council there are maximum charges which are reviewed in April every year.**
- 1.5 Most charges are subject to a financial assessment to determine individual affordability, but the charging policy also includes several, low cost, fixed rate charges and several additional one-off fees. The council's budgetary inflation rate is based upon The Consumer Prices Index (CPI) which was set at 3.1% in the 12 months to September 2021. However, the Office for National Statistics has said the (CPI) inflation rate increased to 5.1 per cent in November 2021. This report recommends uprating most charges by 5.1% (rounded to the nearest

pound or 10p if below £5) with effect from **11th April 2022**. It is recommended exceptionally for Carelink fees to increase by 3.1%.

2. RECOMMENDATIONS:

2.1 To agree that the council continues with the current charging policy for care and support services which includes an individual financial assessment to determine affordability and complies with the requirements of Section 17 of the Care Act 2014.

2.2 To agree to a 5.1% increase on all current charges with the exception of Carelink at 3.1% with effect from **11th April 2022**:

Maximum Charges	2021-2022	2022-2023
Means Tested Charges	Current maximum	New Maximum
In-house home care/support	£27	£28 per hour
In-house day care	£41	£43 per day
In-House Residential Care	£129	£135 per night
Fixed Rate Charges		
Fixed Rate Transport	£4.20	£4.40
Fixed Meal Charge /Day Care	£5.00	£5.20

2.3 To agree an increase to miscellaneous fees at 5.1% as follows:

	2021-22	2022-23
Deferred Payment set up fee (see 2.13)	£544	£571 one off charge
Initial fee for contracting non-residential care for self-funders	£287	£301 one off charge
Ongoing fee for contracting for non-residential care for self-funders	£89 per year	£93 per year

2.4 To agree an increase to Carelink charges at 3.1% as follows:

	2021-22	2022-23
Standard Carelink Plus service	£19.70 pm	£20.30 per month
Enhanced Carelink Service	£23.60 pm	£24.30 per month
Exclusive Mobile Phone Service	£25.50 pm	£26.30 per month

2.5 To continue with the existing policy not to charge carers for any direct provision of support to carers.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 Where a person is assessed as eligible for care and support under sections 18 to 20 of the Care Act, the Council may charge the service user subject to the financial assessment set out in Section 17 of that Act (subject to certain limited exceptions).

3.2 The council must provide intermediate care and reablement services (either at home or in residential care) free of charge for up to 6 weeks, and any services provided under Section 117 of the Mental Health Act 1983 must be free of charge.

3.3 Financial assessments determine a fair contribution towards care costs and are subject to appeal in exceptional circumstances. People with very limited income will not be charged. People with additional disability benefits and other income are usually charged a contribution towards the cost of their care service and the amount varies according to their personal financial circumstances. Currently people with savings over £23,250 are liable to pay the full cost of services but we are advised that the government will increase this threshold from April 2022.

3.4 **Most people have care provided by an external provider** where fee rates are often set and agreed under the council's contracted terms and conditions. People with savings over £23,250 or with high incomes will be assessed to pay the full fees charged by the care provider. The contract fee for standard home care with an approved agency is recommended to be £19.11 per hour from April 2022 but rates can vary depending upon individual needs and availability of carers. The maximum charge for specialist in-house home care is recommended to increase to £28 per hour. People who have savings of less than £23,250 will usually pay less than the full cost of care, in line with their financial assessment.

3.5 Charging for care services for people living at home

3.5.1 Services include personal care, community support, support costs in extra care housing, day activities, direct payments, adaptations, money management and other support, and there are around 2400 service users living at home. About 36% of these, who have minimal savings and limited income from state benefits, will continue to receive free means tested care services. They will only be affected by the increases in this report if their service includes transport or meals at a day centre.

3.5.2 Around 36% of service users are not required to pay under the means test and around 56% are assessed to contribute an average of around £40-£70 per week, usually based upon their entitlement to additional disability benefits and premium payments paid by the Department for Work and Pensions.

3.5.3 A further 8% of service users are assessed to pay the full cost or maximum charge for care where they have savings over the threshold of £23,250, or very high incomes, or low cost care packages.

3.5.4 The maximum charge for in-house home care is recommended to increase by 5.1% to £28 per hour and Day Care attendance is recommended to increase by 5.1% to £43 per day.

3.6 Fixed Rate Charges – (not means tested)

3.6.1 Where the council provides or funds transport to and from day services or other services it is recommended to increase the fixed contribution by 5.1% to £4.40 per return journey from April 2022. This increase will affect around 40 people who currently receive this service.

3.6.2 There is only one in-house day centre that provides a cooked meal and the fixed charge for that is £5.00 and recommended to rise to £5.20

3.7 CareLink Plus Services

3.7.1 The Council's Carelink Plus service is well-used and welcomed by vulnerable people in the city. This preventive service can often reduce the need for additional care services. Most people pay the fixed charges listed in the table above. An increase of 3.1% is recommended and around 600 people would be affected by this increase. It is not proposed to increase carelink charges by 5.1% as this may deter people to take up this preventive service or even cancel their existing service.

3.7.2 If anyone feels they need to cancel the service for financial reasons, the Carelink team will assist people with claiming any eligible benefits. They will also consider whether a free service may be available through additional needs and financial assessments.

3.7.3 This table shows that current carelink income is £555,642 per annum. The recommended 3.1% increase would yield an additional income of £17,224 and a 5.1% increase a further sum of £11,113 per annum.

	2021-22	connections + income		3.1% increase	5.1% increase
Standard Carelink Plus service	£19.70 pm	1870	£442,068	£455,772	£464,613
Enhanced Carelink Service	£23.60 pm	320	£90,624	£93,433	£95,246
Exclusive Mobile Phone Service	£25.50 pm	75	£22,950	£23,661	£24,120
Total		2265	£555,642	£572,866	£583,979

3.8 Charging for Carers' services

3.8.1 The Care Act empowers councils to charge for the direct provision of care and support to carers. The recommendation is to continue with the current policy not to charge carers in recognition of the significant value they provide to vulnerable people. (Note that where the service is provided direct to the service user in order to give the carer a break, then the service user is means tested and charged in the usual way.)

3.9 Residential Care

3.9.1 People with over £23,250 in savings and property pay the full cost for residential care. All other residents contribute a variable amount towards the care home fees mainly from their income. The majority of residential care is provided by the independent sector and fees for self-funders can vary significantly. The council has limited provision of inhouse residential care, and it is mainly used as a respite service, for hospital discharges, or an emergency service and for people with mental health issues. Most people are resident for short term purposes and are not charged for the first 6 weeks. However, where charging is applicable, it is proposed to increase the maximum charge to £135 per night (£945 per week). There are currently 13 people who would be affected by this increase.

3.10 Deferred Payment Agreements: (DPA)

3.10.1 The Care Act requires councils, in specified circumstances, to “loan fund” care home fees where the resident is assessed to pay the full fees because they own a property, but they are not immediately able or willing to sell it.

3.10.2 Councils may charge for this service and it is proposed to increase the setup fee for DPAs from £544 to £571. This is based on the estimated average administrative cost for a DPA during the lifetime of the agreement including a legal charge on property, ongoing invoicing costs and termination costs.

3.11 Fee for contracting care services on behalf of self-funding service users

3.11.1 Where people have savings over £23,250 and they ask the council to contract with a non-residential service provider on their behalf, the council charges an arrangement fee for this service. This covers the additional work to procure care and set up the contract with the care provider, to set up financial arrangements and provide contract monitoring and amendments on an ongoing basis.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 This report recommends increasing maximum charges and fixed rate charges by the 5.1% rate of inflation recently advised by the Office of National statistics. An alternative option could be to increase these rates by the September CPI inflation rate of 3.1%

Due to roundings the effect of a 3.1% increase rather than 5.1% would be nil for some charges and minimal for others as shown in the chart below:

Taken together (excluding carelink) the reduced increase in income at 3.1% rather than the recommended 5.1% would be around £8,500 per annum.

Maximum Charges		2021-2022	2022-2023
Means Tested Charges	recommended 5.1%	Current maximum	Maximum would be at 3.1%
In-house home care/support	£27 No difference	£27	£28 per hour
In-house day care	£43 per day	£41	£42 per day
In-House Residential Care	£135 per night	£129	£133 per night
Fixed Rate Charges			
Fixed Rate Transport	£4.50 per return	£4.20	£4.30
Fixed Meal Charge /Day Care	£5.20 No Difference	£5.00	£5.20

An increase to miscellaneous fees as follows:

	Difference at 5.1%	2021-22	3.1%	2022-23
Deferred Payment set up fee (see 2.13)	£571 (£10)	£544		£561 one off charge
Initial fee for contracting non-residential care for self-funders	£301 (£5)	£287		£296 one off charge
Ongoing fee for contracting for non-residential care for self-funders	£93 (£1 per year)	£89 per year		£92 per year

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Consultation has taken place with other officers.

6. CONCLUSION

6.1 It is recommended to increase rates by 5.1%

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 Charges for Adult Social Care services within this report have been reviewed in line with the Corporate Fees & Charges Policy and budget guidance. This is to ensure that fees and charges are appropriately benchmarked to comparative services and recover the full cost of service wherever possible.

It is anticipated that the proposed charges will deliver the level of income assumed in the 2022/23 budget strategy including an inflationary increase. However, the level of income is variable as all service users are subject to a means test.

The Adult Social Care in-house council services are significantly subsidised through Council funding.

Where any change (or rejection of proposals in whole or in part) is likely to have a negative impact on the service's budget and/or will affect a budget saving proposal negatively, and is approved by the Board (either via amendment or by voting against the recommendations), the Board must refer its decision to the Policy and Resources Committee in one of two ways:

- 1) Either, to make a recommendation to Policy and Resources Committee to change the fees and charges proposals as amended by the Board;
- 2) Or, if the Board reject the report's recommendations entirely, note that the whole report will need to be passported to Policy and Resources Committee to re-consider the fees & charges proposals having noted (from the minutes of the Board, that it rejected them).

Policy and Resources members will need to be briefed as to the reason for the change or rejection made by the Board.

Finance Officer Consulted: Sophie Warburton

Date: 10/12/2021

Legal Implications: - text from last year's report – needs new comments

- 7.2 It is a function of the Adult Social Care and Public Health Sub-Committee to oversee and make decisions concerning Adult Social Care. The proposals in the report are consistent with the Council's responsibilities under the Care Act 2014 and the associated Regulations in relation to charging for care services, in particular the Care and Support (Charging and Assessment of Resources) Regulations 2014.

Lawyer Consulted: Sandra O'Brien

Date: 23/12/2021

Equalities Implications:

- 7.3 All service users are subject to the same means test and will only be affected by this revised policy if they are able to pay. People will not be treated in any way less favourably on the grounds of personal differences.

Sustainability Implications:

- 7.1 This charging policy has no implications for environmental sustainability.

Brexit Implications:

7.2 This charging policy has no implications for Brexit

Any Other Significant Implications:

There are no other significant implications

Crime & Disorder Implications:

It is unlikely that this charging policy will have any implications for crime and disorder though there may be people who refuse to pay their charges and it is possible that some legal action may be necessary to obtain payment.

7.5

Risk and Opportunity Management Implications:

The opportunity element is not applicable.

Risks:

- (i) That some people may cancel services when charges increase but this risk is mitigated by raising care link by less
- (ii) raising by 5.1% will mitigate against financial implications for the council budget.

7.6

Public Health Implications:

There are no public health implications.

7.7

Corporate / Citywide Implications:

Charging for social care services for those who have sufficient savings and income is compliant with legislation and enables more funding for such services.

7.8 **SUPPORTING DOCUMENTATION**

Appendices:

The current charging policy is attached..

1. BHCC Charging Policy