



Although a formal committee of the city council, the Health & Wellbeing Board has a remit which includes matters relating to the Clinical Commissioning Group (CCG), the Local Safeguarding Board for Children and Health Watch. Papers come from a variety of sources. The format for Health & Wellbeing Board papers is consequently different from papers submitted to the city council for exclusive city council business.

1. Formal details of the paper

1.1. Adult Social Care Charging Policy 2015

1.2 General Public

1.3 Date of Health & Wellbeing Board meeting 3rd February 2015

1.4 Author of the Paper and contact details

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2. Summary

2.1 Provide a short summary of the paper

2.2 People who are eligible for adult social care services are currently means tested to establish whether or not they are required to contribute towards the cost. There are around 2000 service users with non-residential care and around 1400 in residential care homes. This includes older people, adults with physical disabilities, learning disabilities and mental health difficulties and charges are determined by current legislation and policy.

2.3 Adult Social Care is required to implement The Care Act 2014 with effect from April 2015 which includes financial assessments and charges for care services. There are very few changes to the current means test but the Care Act brings the legislation into one place and makes all

charges discretionary. This changes the status of mandatory charges for residential care to a discretionary power. This report seeks approval of the financial assessment and charging policy which is compliant with the requirements of the Care Act 2014.

- 2.4 Where the council directly provides services there are maximum charges and these are revised in April of each year. Where services are provided by other agencies, the maximum charge depends upon their own fee rates. Most charges are subject to a financial assessment to determine affordability but the charging policy also includes several fixed rate charges. This report provides recommendations to uprate maximum and fixed rate charges.

3. Decisions, recommendations and any options

With effect from 6th April 2015

- 3.1 That the council continues with the current charging policies for residential care and non-residential care services which are compliant with the requirements of Section 17 of the Care Act 2014.
- 3.2 Where applicable charges continue to apply for preventive services provided under Section 2 of the Care Act.
- 3.3 That no charge will be made to carers for any direct provision of care and support to them.
- 3.4 That an initial fee for setting up Deferred Payment Agreements should be set at £475 plus any additional costs incurred for property valuations.
- 3.5 That Deferred Payment Agreements are subject to the maximum interest rate as set by the Government and reviewed on an annual basis. This will be 2.65% from April 2015.

3.6 That the following table of charges are agreed with effect from 6th April 2015

Maximum Charges	2014/15	Proposed for 2015/16
Means Tested Charges		
In-house home care/support	£20.00 per hour	£21 per hour.
Day Care	£30.00 per day	£34 per day
Maximum weekly charge	£900 per week	£900 per week
Fixed Rate Charges		
Fixed Rate Transport	£3.00 per return,	£3.50 per return
Fixed Meal Charge /Day Care	£3.90 per meal,	£4.30 per meal
Carelink:	£14.50 month – with 2 key holders,	£16.00
	£17.83 month – with 1 key holder -	£18.50
	£22.17 month – with key safe jointly	£22.17 (no
change)		

Additional telecare devices remain free of charge.

No increase for the mobile phone based service 'CareLink Anyway' at £5 per month for existing CareLink Plus users and £12 per month for people to have this service alone.

No increase for key safes at £50 per unit.

4. Relevant information

4.1 Where the council has determined that a person is eligible for care and support under sections 18 to 20 of the Care Act, the Council can charge the service user subject to the financial assessment set out in the Act.

4.2 Financial assessments determine a fair contribution towards care costs, however, they are subject to an appeals procedure for exceptional circumstances.

4.3 Charging for Carer's services

The Act empowers councils to charge for the direct provision of care and support to carers. The recommendation above is not to charge carers. This is in recognition of the value of care provided to vulnerable people in the city. This has been carefully considered and will be kept under review.



The Act changes the eligibility criteria for carers and this may mean significantly higher referral numbers. However it is anticipated that, at least in the first year of the Care Act, this will not be the case. Volumes and costs will be monitored for further review.

4.4 Residential Care:

The Care Act repeals the national mandatory means test for residential care charging and creates a new, but almost identical, discretionary framework for charging. Where Councils do decide to continue charging for residential and nursing care, the new regulations state the rules to be followed. It is recommended that the council continues to charge in the same way.

4.5 Deferred Payment Agreements: (DPA)

Under current legislation, the council has discretion to “loan fund” care home fees, where the resident owns a property and does not want to sell it during their lifetime or where they are not immediately able or willing to sell. This council already has a discretionary DPA scheme and has historically agreed to almost all requests. There are 56 people with debt secured against their property for future payment of care home fees and the amount due at present is around £2.5million. From April 2015 the Care Act makes this scheme mandatory, subject to specified conditions, including compound interest on the loan from the start date. The government have set a maximum interest rate which will be 2.65% from April 2015 and will be reviewed by them on a regular basis. The council could charge a lower interest or none at all but cannot charge more than this. It is anticipated that there will be more applicants in due course and it is recommended that the council is able to assist with funding these applications by charging interest on the debts that accrue.

There is also a new power to charge administration costs for setting up and managing a Deferred Payment Agreement but the charge cannot be greater than the actual costs involved including staff time and legal costs. The proposed charge is based on the estimated average cost of £475 for the lifetime of an agreement including ongoing invoicing costs and termination costs.

4.6. Non-residential Services, including direct payments, personal care at home, community support, day activities, adaptations, money management and other support.

4.6.1 Charging for people with eligible needs (referred to as the “mainstream” financial assessment)



There are around 2000 service users in their own homes with eligible needs and around 46% of them, 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 fixed rate charges in the list above at 3.6.

4.6.2 Around 45% of service users are assessed to contribute an average of around £50-£60 per week, usually based on their entitlement to disability benefits.

The proposed new maximum charges in the list at 3.6 will not affect the assessed charge for these people but they may be affected by the fixed rate charges.

4.6.3 Most people receive home care services from the independent sector where lower fee rates are set and agreed by the council. The current fee for home care with an approved agency is £14.80 per hour but rates can vary with other agencies. People who have over £23,250 in savings will be required to pay the full fees charged by private agencies.

4.6.4 Around 9% of service users pay the maximum charge for in-house home care and day care. This affects people with savings over the threshold of £23,250 (£46,500 for couples) and also affects a small minority of people with very high income, and those with a very small care package, e.g. One day centre attendance per week.

4.6.5 The council provides intermediate care and reablement home care and residential care services free of charge for up to 6 weeks. If, in exceptional circumstances, the home care service continues beyond 6 weeks then the service user is means tested and may be charged up to £21 per hour. Most people will use private agencies where fees are currently set at £14.80 per hour.

4.6.6 The actual cost of council provided day care is higher than the maximum charging rate of £34 per day recommended above, however there is a reduction in the subsidy of this service. Many other councils have reduced or removed the subsidy for day care and now charge the actual cost. An increase in charge will only affect people who are assessed as able to pay as set out in paragraph 4.6.4 above.

4.6.7 The current charging policy has a maximum charge of £900 per week for a package of non-residential care. The Department of Health is currently consulting nationally on the future funding of Adult Social Care and proposes to revise the charging legislation in April 2016. It is therefore recommended that, in the meantime, this maximum



charge should remain the same but should be reviewed with a view to removing it in April 2016 alongside the implementation of other changes in the revised charging regulations

4.7 Fixed Rate Charges – (not means tested)

4.7.1 Flat rate charges for transport to day centres or other activities have fallen behind inflationary increases in travel costs. It is, therefore, recommended that the return journey charge is increased from £3.00 to £3.50 in April 2015.

4.7.2 The Adult Social Care Committee has previously approved an increase in charges for community meals to £4.30 per meal from April 2015 rising to £4.50 from October 2015.

4.7.3 It is recommended that the fixed charge for meals provided in the council's day centres should also be increased to £4.30 per meal in 2015. This charge includes beverages and small snacks during the day.

4.7.4 CareLink Plus Services:

Under the Care Act any charges made for preventive services must be reasonable and must not exceed the actual cost. Around 500 people have previously been fully funded for CareLink Plus from the Housing Related Support budget. Alternative criteria have been considered to determine who should receive a free carelink service where the person is not eligible for care under Sections 18-20 of the Care Act.

Where someone has eligible care needs they will have a mainstream financial assessment. Otherwise, everyone will be required to pay a reasonable flat rate charge for CareLink Plus services unless they are in hardship. There is a process for People to appeal against the charge if they feel they are in financial hardship.

CareLink Plus charges are subsidised so that everyone receives an element of funding towards this preventive service. If the service is felt to be unaffordable, and refused, even by people who have significant savings, it could lead to additional costs elsewhere in the health and care system. The service charge has been frozen for the last two years and remains at a reasonable charge compared with other similar services. It is therefore proposed to make a small increase in the fixed charges as shown in the table above.

5. Important considerations and implications



5.1 Legal

It is a function of the The Health and Wellbeing Board to exercise the social services and health functions of the Council in respect of adults and therefore a constitutional requirement for it to approve the recommendations in this report. It is usual practice for charges for all services to be reviewed. As detailed in the body of this report the Care Act 2014 introduces new legislative requirements impacting charging arrangements including the exercise of discretion to continue with existing charging arrangements. Specific reference is made to the relevant sections of the Care Act 2014 both in the body of the report and the accompanying Charging Policy, which the Board is asked to approve. The Report details the statutory requirements and rationale underpinning all of the recommendations the Board is required to make in order to lawfully charge and implement the policy from April 2015.

Lawyer consulted: Sandra O'Brien – 23-01-2015

5.2 Finance

Charges for Adult Social Care non residential services are reviewed annually in line with the Corporate Fees and Charges policy. The annual income from charging for in-house non residential services is approximately £1 million, out of the estimated total for non-residential services fees across Adult Social Care of £4.9million. It is anticipated that the proposed charges will deliver the level of income assumed in the 2015/16 budget strategy- an increase of approximately £0.1million to £0.14 million which reduces the subsidy of the services..

The costs of providing in house services are higher than the proposed charges. The 2013/14 unit costs are:

- *Home Care £67 per hour compared to the proposed charge of £21 per hour*
- *Day Care (Older People) £94 per day compared to the proposed charge of £34 per day*

The estimated cost of community meals is £5.40 per meal compared with the proposed charge of £4.30 from April 2015 rising to £4.50 from October 2015.

Residential charges represent a significant income stream and any change to the charges policy would represent a financial risk.

Finance Officer consulted: Anne Silley

Date 22/01/15

5.3 Equalities

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 such as age, race, ethnicity, mobility of lifestyle, religion, marital status, gender, sexual orientation, physical or mental impairment, caring responsibilities and political or other personal beliefs.

5.4 Sustainability

There are no sustainability issues.

5.5 Health, social care, children's services and public health

There are no identified issues

6. Supporting documents and information

The Charging Policy is a separate appendix