

Brighton & Hove City Council

Adult Social Care & Public Health Sub-Committee

Agenda Item 36

Subject: Adult Social Care Charging Policy – 2024-2025

Date of meeting: 17th January 2024

Report of: Executive Director, Health & Adult Social Care

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Ward(s) affected: All

For general release

1. Purpose of the report and policy context

- 1.1 The Care Act 2014 provides councils 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. The DHSC updates the statutory national minimum rates for savings thresholds and allowances in April of each year and we await confirmation of these revised rates. At present, people with funds over £23,250 must pay the full cost or maximum charge for care services.
- 1.2 People eligible for adult social care services are means tested to establish whether and how much they must contribute towards the cost. The current charging policy is attached. There are around 2350 service users with non-residential care services and approximately 1220 in residential care homes. These include older people and working age adults with physical disabilities, mental health difficulties and learning disabilities and most people receive their care services from external providers.
- 1.3 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 set by the Council which are usually reviewed in April each year to align with the date the Department of Work and Pensions increase state benefits.** 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 additional one-off charges.
- 1.4 This report recommends an inflationary increase in the current maximum charges of 3.5% for all services.

2. Recommendations

- 2.1 That Committee agrees 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 That Committee agrees to a 3.5% increase (rounded) on the following maximum charges from **8th April 2023** (when state benefits increase):

Maximum Charges	2023-2024	2024-2025
Means Tested Charges	Maximum	Proposed Maximum
In-house home care/support	£31 per hour	£32 per hour
In-house day care Drop in Day Care	£46 per day £23 per session	£48 per day £24 per session
In-House Residential Care	£160 per night (£1120 per week)	£166 per night (£1162 per week)
Fixed Rate Charges		
Fixed Rate Transport	£4.70 return	£4.90 return

- 2.3 That Committee agrees to an increase for miscellaneous fees at 3.5% :

	2023-2024	2024-2025
Deferred Payment set up fee (see 2.13)	£617 initial charge	£639 one off charge
Initial fee for contracting non-residential care for self-funders	£325 initial charge	£336 one off charge
Ongoing fee for contracting for non-residential care for self-funders	£101 per year	£105 per year

- 2.4 That Committee agrees to increase Carelink Service fees by 3.5% as follows:

	2023-24	2024-25
Standard Carelink Plus	£22.30 per month	£23.10 per month
Enhanced Carelink Service	£26.70 per month	£27.60 per month
Mobile Phone (discontinued)	£28.90 per month	28.90 per month

- 2.5 That Committee agrees to continue with the existing policy not to charge carers for any direct provision of support to carers.

3. Context and 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 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 must pay the full cost of services and this figure is set by the government.
- 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 their care provider. Fee rates can vary depending upon individual needs and availability of carers. The maximum charge for in-house home care is recommended to increase to £32 per hour. Day Care attendance is recommended to increase to £48 per day. 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, money management and other support, and there are around 2350 service users living at home. 400 of these people have non-chargeable services, mainly under Section 117 of the Mental health Act. 1950 people have a financial assessment and around About 36% of those people, who have minimal savings and limited income from state benefits, will continue to receive free means tested care services as their income is too low to afford a charge. They will only be affected by the increases in this report if their service includes transport at the fixed rate.
- 3.5.2 54% of people have assessed charges ranging from £4 per week to £469 per week depending upon their income and savings. The average charge is around £45-£80 per week, usually based upon entitlement to additional disability benefits and premiums paid by the Department for Work and Pensions.

3.5.3 A further 10% of service users are assessed to pay the maximum charge for care where they have savings over the threshold of £23,250, or very high incomes, or low cost care packages.

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 to £4.90 per return journey. This increase will affect around 40 people who currently receive this service. The income from transport charges is currently around £20,000 per annum.

3.6.2. Fees for contracting care services at home on behalf of self-funding service users

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. It is recommended to increase the initial arrangement fee to £336 and to increase the ongoing annual charge to £105 per year.

3.7 CareLink Plus Services

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, ambulance call outs and hospital admissions. Most people pay the fixed charges listed in the table above. An increase of 3.5% is recommended for most people but excluding those with outdated mobile phone technology which will remain at £28.90 per month until phased out. Around 2150 people will be affected by this increase. Carelink is a relatively economical way to support vulnerable people in their own homes and it is felt that a higher increase in the charge would alienate customers, leading to cancellation of the service and potentially leading to other crises requiring significant interventions from another part of HASC that is far more costly. Some councils install an equivalent service free of charge to encourage a greater take up and reduce critical intervention costs.

3.7.1 Where people consider cancelling the service for financial reasons, the Carelink team will assist with claiming any potentially eligible state benefits. They will also consider whether a free service may be available due to exceptional needs and financial difficulties.

3.8 Charging Carers for carer 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 as well as longer term for people with mental health issues. It is proposed to increase the maximum charge to £166 per night (£1162 per week). There are currently 12 people who would be affected by this increase.

3.9.2 Deferred Payment Agreements (DPA)

The Care Act requires councils, in specified circumstances, to “loan fund” care home fees where the resident is assessed to pay the full cost because they own a property but are not immediately able or willing to sell it. Councils may charge for this loan service but are not permitted to charge more than it actually costs to administer and it is recommended to increase the setup fee for DPAs to £639. 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.

The recommended increase to £639 has been benchmarked against a sample of 30 other councils. Fees for this service range from £240 to £935 making the average fee around £564.

18 council’s charge less than BHCC

11 council’s charge more than BHCC

4. Analysis and consideration of alternative options

4.1 There are currently 174 people using in-house services and most will not be affected by the increase in charges due to having a lower financial assessment than the costs involved in providing their care package. Also, there is no charge for people whose care falls under Section 117 of the mental health act or where they are receiving a home care reablement service for less than 6 weeks. However, those who are affected amount to 3 people with home care and 12 with residential care

4.2 Transport charges

At present 40 people would be affected by the increase in the set rate charge for transport services.

5. Community engagement and consultation

5.1 Relevant councillors and officers have been consulted

Community engagement has not been carried out for this report as this is a fiscal matter.

6. Conclusion

6.1 It is recommended to increase rates by 3.5% for all services with effect from 8th April 2024.

7. Financial implications

- 7.1. As part of the budget setting process Executive Directors are required to agree changes to fees and charges through relevant Committee Meetings. The management of fees and charges is fundamental both to the financial performance of the City Council and the achievement of the Council's corporate priorities. The council's Corporate Fees & Charges Policy requires that all fees and charges are reviewed at least annually and should normally be increased in line with the cost of providing the service to maintain income in proportion to the net cost of service. The Corporate Fees & Charges Policy also stipulates that increases above or below an agreed 'corporate rate of inflation' should be approved by committee. However, it should be noted that the corporate rate of inflation (3.5% for 2024/25) is not a default rate of increase and is a financial planning assumption only, set early in the financial year, and should not therefore determine actual increases which should normally reflect current and projected inflationary cost pressures to ensure that income is maintained in proportion to expenditure.
- 7.2. The committee are advised that if the proposed fees & charges recommended in this report are not agreed, or if the committee wishes to amend the recommendations, then the item will normally need to be referred to the Strategy, Finance & City Regeneration Committee meeting on 8 February 2024 to be considered as part of the overall 2024/25 budget proposals. This is because the 2024/25 final budget proposals will have been developed on the assumption that fees and charges are agreed as recommended and therefore any rejection or amendment of the proposed fees and charges may have an impact on the overall budget proposals, which means it would need to be dealt with by Strategy, Finance & City Regeneration Committee as per the requirements of the constitution. However, this does not fetter the committee's ability to make alternative recommendations to Strategy, Finance & City Regeneration Committee.
- 7.3. It is not always possible when amending fees and charges to increase by the exact inflation figure due to rounding. As a result, some fees and charges are rounded for ease of payment and/or administration.

Name of finance officer consulted: Sophie Warburton Date consulted (dd/mm/yy): 19/12/2023

8. Legal implications

8.1 The legal basis for charging for services is explained in the body of this report as is rationale for the recommended percentage increase.

Name of lawyer consulted: Sandra O'Brien Date consulted 12/12/23

9. Equalities implications

9.1 There are no equalities issues with these recommendations. The charging policy is not changing and the rates charged are proposed to increase by inflation.

10. Sustainability implications

10.1 There are no sustainability implications

11. Other Implications

11.1 There are no other implications.

Public health implications:

11.2 There are no Public Health implications

Supporting Documentation

1. Appendices

The attached charging policy is current for 2023-2024 but will be updated when some of the figures included are published from DHSC and DWP.

