

**Subject:** Adult Social Care Charging Policy  
**Date of Meeting:** 20 January 2014  
**Report of:** Executive Director Adult Services  
**Contact Officer:** **Name:** Angie Emerson **Tel:** 29-5666  
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**Ward(s) affected:** All

**FOR GENERAL RELEASE****1. SUMMARY AND POLICY CONTEXT:**

- 1.1 Adult Social Care services are generally subject to service user charges. Most charges for Non-Residential Care Services are subject to a financial assessment to ensure affordability but the charging policy includes several fixed rate charges. The charging policy takes account of current legislation, regulations and Government Guidance.
- 1.2 Maximum charge rates are usually reviewed in April of each year when state benefits increase. However, this year the recommendation is to agree a three year plan for future charges as listed in paragraph 2.

**2. RECOMMENDATIONS:**

- 2.1 That the following table of maximum charges are agreed with effect from 7<sup>th</sup> April 2014.
- 2.2 Agree the proposed increases for April 2015 and April 2016

<b>Maximum charges</b>	<b>2013-14</b>	<b>2014-15</b>	2015-16	2016-17
<b>Means tested charges</b>				
In-house Home Care	£20 per hour	£20 per hour	£20 per hour	£20 per hour
Day Care	£25 per day	£30 per day	£35 per day	£40 per day
Max Weekly Charge	£900 per week	£900 per week	£900 per week	no maximum
<b>Fixed Rate Charges</b>				
Transport Charge	£2.50 return	£3.00 return	£3.50 return	£4.00 return
Meals at Day Centre	£3.50 per meal	£3.90 per meal	£4.30 per meal	£4.70 per meal

Freeze **CareLink** charges for 2014/15 at: £14.50 p.month (2 key holders) £18.50 p.month (1 key) holder £21.50 per month with no key holders, but with a key safe.

Continue to review these charges annually.

Additional charge for **new 'Mcare' CareLink service** – see para 3.15

Free for first month then £5 per month for current CareLink users and £12 for non CareLink users.

- 2.3 Agree the Transport Policy (see attached document)

### **3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

- 3.1 Means tested charges for Adult Social Services are discretionary under Section 17 of HASSASSA 1983 (Health and Social Services and Social Security Adjudication Act). This policy is compliant with the requirements of that Act and the Department of Health's "Fairer Charging" Guidance. The Government intend to review the charging regulations for care services in April 2016 under the Care and Support Bill which is currently under consultation. This may affect future policy.
- 3.2 A package of non-residential care services can include home care, day care, community support, telecare, adaptations and direct payments. Service users have one financial assessment to determine the amount they can reasonably pay, and this covers all services. The amount a person must pay will depend upon their income, savings and expenditure, (except for the additional fixed charges for meals, transport and carelink).
- 3.3 Charges are also subject to an appeals procedure for exceptional circumstances.
- 3.4 There are just over 2000 service users with non-residential care services and this includes older people, adults with physical disabilities, learning disabilities and mental health difficulties. Around 42% of service users who have minimal savings and limited income from state benefits are not required to make any contribution towards their care services. The revised charging policy will not affect people in this group unless they receive meals or transport with increased fixed rate charges.
- 3.5 Most people receive home care services from the independent sector where lower fee rates are set and agreed by the council. The current rate for an hour of home care with approved home care agencies is £14.80 but charges can vary with other agencies. These rates are not being increased in 2014. People who have over £23,250 in savings will be required to pay the full fees charged by private agencies.
- 3.6 Around 48% of service users are assessed to contribute from £3 to £80 per week, usually based on their entitlement to extra disability benefits. Most of the people in this group will not be affected by the proposed new maximum charges, other than any applicable fixed rate charges
- 3.7 Only 3% of service users pay the maximum charge for in-house home care and day care services. This affects
  - a) people with savings over the threshold (currently £23,250 or £45,500 for couples)
  - b) people who have a high income
  - c) people who have a very small care package eg. only one day care attendance per week.
- 3.8 The in-house home care service is under review to increase the provision of intermediate care services and reablement services which must be free of charge for up to 6 weeks. If the service continues beyond 6 weeks then the service user is means tested and may be charged up to £20 per hour. There will continue to be a limited in-house general home care service but as very few people will be affected it is recommended that the hourly charge of £20 remains the same over next 3 years.
- 3.9 The survey of 9 councils below shows that there is a significant variation in home care charges across the country ranging from £13 per hour in Leeds to £26.23 per hour in Islington.

3.10 The survey also shows that almost all councils have a higher charge for Day Care Services, although many have a matrix of charges depending upon assessed need levels. The actual cost of providing day care in Brighton and Hove is much higher than the maximum charging rate. Over a number of years, other local authorities have eroded the subsidised cost of day care by increasing their day care charges to the true unit cost.

It is recommended that BHCC should erode the subsidy provided to those service users who can afford to pay the true cost of providing day centres by increasing the current maximum charge by £5 per day per annum for the next 3 years. The current charge of £25 per day would increase to £30 per day in 2014, £35 per day in 2015 and £40 per day in 2016.

LOCAL AUTHORITY	Home Care Per Hr	Day Care - Per Day	
SHEFFIELD	£23.52	£45.00	ALL
RICHMOND	£12.50	£48.00	OLDER PEOPLE
LEEDS	£13.00	£42.00	PD / LD
POOLE	£13.34	£39.00	
BOURNEMOUTH	£13.95	£37.00	HIGH NEEDS
SOUTHEND	£14.10	£20.50	ALL
HERTS CC	£16.88	£39.34	
NOTTS CC	£17.85	£32.64	COMPLEX NEEDS
	<b>£20.00 -</b>		
<b>BRIGHTON &amp; HOVE</b>	<b>£14.80</b>	<b>£25.00</b>	<b>ALL</b>
ISLINGTON	£26.23	£40.00	OLDER PEOPLE

3.11 The current charging policy has a maximum weekly charge of £900. However, the Department of Health is currently consulting nationally on the future funding of Adult Social Care and will revise the charging legislation in April 2016. It is therefore recommended that the maximum weekly charge should remain the same for now but should be removed in April 2016 when implementing the revised national charging regulations.

#### **FIXED RATE CHARGES (not means tested)**

3.12 Flat rate charges for transport to day centres and other activities have fallen behind inflationary increases in fuel costs and bus fares. It is, therefore, recommended that the contribution for a return journey is increased from £2.50 to £3.00 in 2014 and by 50 pence each April for the next 3 years. Transport is provided in line with the attached policy.

3.13 The committee has already approved an increase in charges for the community meals service at £3.90 from April 2014.

3.14 It is recommended that the fixed charge for meals provided in the council's day centres should remain in line with the approved charges for community meals and should therefore be increased to £3.90 per meal in 2014 and by 40 pence each year for the next 3 years.

3.15 Whilst CareLink charges are low compared with some other authorities, service users are significantly price sensitive. The last charging increase (2011/12) of £1 per month led to 40 users withdrawing from the service. Charges have recently been deliberately kept at a low value to increase the service user base. CareLink and telecare services are seen as preventative services and provide a vital communication link for many

vulnerable people in the city. A telecare project led by Adult Social Care has increased the number of users and the number of telecare options available to support their independence.

It is, therefore, recommended that the charge for 14/15 is frozen at current rates to continue to facilitate more users to benefit from this preventative service. An additional charge is recommended for a new 'Mcare' CareLink service which enables the user to use mobile phone technology to summon help in emergencies. Aside from the standard carelink charges, this service will be free for the first month, then £5 per month for current CareLink users and £12 per month for non CareLink users.

#### **4. COMMUNITY ENGAGEMENT AND CONSULTATION**

- 4.1 The Department of Health first issued the "Fairer Charging" Guidance in 2002, and, at that time, the council carried out public consultation as required by the DH. Further public consultation took place several years later relating specifically to charges for Learning Disability services.
- 4.2 This report has been shared with the Older Peoples Council in December 2013.
- 4.3 Consultation with relevant officers and service managers has taken place.

#### **5. FINANCIAL & OTHER IMPLICATIONS:**

##### Financial Implications:

- 5.1 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 these in-house services is approximately £0.9 million, out of the estimated total for non-residential services fees across Adult Social Care of £4.8 million. It is anticipated that the proposed charges will deliver the level of income assumed in the 2014/15 budget proposals.

*Finance Officer Consulted: Mike Bentley*

*Date: 07/01/14*

##### Legal Implications:

- 5.2 The legal basis for charging policy is specifically referred to in the body of this report. Committee has responsibility under the terms of the Constitution for making decisions regarding discretionary charging for services and when exercising this responsibility must have regard to best value and implications for the public purse. There are no specific Human Rights Act implications arising from this Report.

*Lawyer Consulted: Sandra O'Brien*

*Date:07/01/2014*

- 5.3 Equalities Implications:

A separate Equalities Impact Assessment has been completed. 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.

5.4 Sustainability Implications:

There are no implications

5.5 Crime & Disorder Implications:

There are no specific crime and disorder implications set out in this report.

5.6 Risk and Opportunity Management Implications:

No issues have been identified.

5.7 Risk and Opportunity Management Implications:

No implications have been identified

5.8 Public Health Implications:

No issues have been identified

5.9 Corporate / Citywide Implications:

This policy will take effect across the city.

**6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

6.1 The option of making no increases to care charges was considered but this would lead to a loss of income which would effectively result in a reduced budget to spend on social services.

6.2 The option of making higher increases was considered but were considered to be difficult to justify with regard to the current level of inflation.

**7. REASONS FOR REPORT RECOMMENDATIONS**

7.1 Charges for non-residential services are usually increased in April of each year in line with the general increase in state benefits. It would be beneficial for future financial budgeting to have a 3 year plan, indicating the general direction of charging rates.

7.2 People who are unable to pay the maximum charge rates are means tested and will only be required to pay an amount relative to their personal financial circumstances.

**SUPPORTING DOCUMENTATION**

Appendices

***ASC Transport Policy***

Documents in Members' Rooms

*None*

## Background Documents

First Round Budget EIAs 2014-15 – summary of impacts and actions

Note: EIA 10 in this document