

# ADULT SOCIAL CARE AND HEALTH CABINET MEMBER MEETING

## Agenda Item 53

Brighton & Hove City Council

**Subject:** Annual Review of Adult Social Care Charging Policy  
**Date of Meeting:** 22<sup>nd</sup> January 2009  
**Report of:** Joy Hollister, Director of Adult Social Care and Housing  
**Contact Officer:** Name: Angie Emerson, Head of Financial Assessments and Welfare Rights Tel: 295666  
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**Key Decision:** NO  
**Wards Affected:** All

### FOR GENERAL RELEASE

#### 1. SUMMARY AND POLICY CONTEXT:

- 1.1 To recommend the annual uprating of Adult Social Care charging policies for Non-Residential Care including individual budgets and direct payments and the uprating of the full cost charge for our in-house Residential Care Services for the financial year 2009/10

#### 2. RECOMMENDATIONS:

To approve increased charges for inclusion within the budget 2009/10 package for Cabinet's agreement. The recommended maximum charging rates for non residential services for 2009/10 are shown below and are effective from 6<sup>th</sup> April 2009.

	From	To:
2.1.1 Home care	£19 per hour	£20 per hour
2.1.2 Day care	£20 per day	£22 per day
2.1.3 Transport charge	£1.80 per return journey	£2.00 per rtn journey
2.1.4 Meals charges	£2.90 per meal	No Change
2.1.5 Direct Payments	Actual cost subject to maximum weekly charge	

(Note that all of the above services may be provided or funded through Individual Budgets)

- 2.2 To agree a maximum weekly charge, for new service users, for non residential services of £850 per week (previously £750)
- 2.3 To agree that existing service users paying the current maximum rates be protected for one year to a maximum charge of £750 per week (see 3.2.2 – Option A)

- 2.4 To agree the maximum weekly charge for in-house residential care of £740.32 (previously £718.76)

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

#### **3.1 Non Residential Services**

- 3.1.1 The Department of Health issued new charging guidance for non-residential care services (known as Fairer Charging) in October 2002 and, at that time, Brighton and Hove Council engaged in a wide public consultation exercise with service users, carers and other interested parties. The outcome of this consultation continues to form the methodology for the current charging policy. The maximum charges included in the policy are reviewed in April of each year, effective on the same date that state benefits increase. This is the third year where it is proposed to increase most of the maximum charges above the current inflation rate in order to bring them more into line with the actual cost of provision.
- 3.1.2 The amount a person pays towards non-residential service costs is determined by a financial assessment (other than the fixed charges for meals and transport). A package of care can include home care, day care, adaptations and Supporting People services and one financial assessment covers all of these services. There are just under 2,300 current service users. Almost half have minimal savings and limited income from state benefits and are not required to pay anything towards the costs.
- 3.1.3 The current maximum charge for in-house home care has fallen behind the true cost of provision and it is proposed to increase it £20 per hour, per carer. People who have a service from the independent sector will not be charged more than the actual fees. These can sometimes be lower than £20 per hour and sometimes higher depending upon the day, time, and type of care provided.
- 3.1.4 The cost of running our in-house day care provision is significantly higher than the maximum charge and it is proposed to increase this charge from £20.00 per day to £22.00 per day. (there is an additional fixed charge for meals and transport where provided)
- 3.1.5 The transport costs for day centre attendance have increased above inflation and it is proposed to increase the charge by 20 pence per return journey.
- 3.1.6 The meals charge should remain at £2.90 per meal at present as this service is subject to review. The current contract ceases in April 2010.

- 3.1.7 Many people, who are receipt of additional disability benefits, pay a small weekly contribution towards the total service costs in accordance with the charging policy. Although their benefits will increase in April 2009, assessed charges will usually remain the same due to the compensating increase in allowances provided in the financial assessment. Therefore charges may not increase at all for many service users.
- 3.1.8 People who have savings over the prescribed capital threshold of £23,000 (£46,000 for couples) from April 2009, will pay the full cost of the services provided, subject to the proposed new maximum weekly charge of £850 per week. There are very few current service users affected by this increase and it is proposed that their charges be protected to a maximum of £750 per week for 2009/10. Approximately 130 services users pay the maximum hourly and daily rates listed above and will be affected by the proposed increases.
- 3.1.9 All charges are subject to an appeals procedure for exceptional circumstances.

### **3.2 Maximum Weekly Charge for non-residential services (in-house and independent sector provision)**

- 3.2.1 The current maximum weekly charge is £750 per week. It is proposed to increase this to £850 per week from April 2009 for those few people who have the means to pay this amount and whose service packages cost more than £850 per week. People with low savings and low income will not have to pay this amount.
- 3.2.2 **OPTION A** To implement the revised maximum charge of £850 per week for new service packages from April 2009 but to apply protection for services already in place. People currently paying £600 per week (protected from last year) or more should have a protected increase for their current services to a maximum of £750 per week for one year.
- 3.2.3 **OPTION B** To increase the current maximum charges to £850 per week for everybody from April 2009 without protection.

### **3.3 Maximum Charge for In-House Residential Care**

- 3.3.1 The majority of residential care is provided by the independent sector and national regulations require that residents with more than a certain amount of savings, i.e. £23,000 for 2009/10, must pay the actual fees charged by the Care Home. The fees for "self funding" residents are determined by the provider, usually under a separate contract, and are often higher than the rates agreed under the Council's contracts.
- 3.3.2 Where the Council provides residential care in-house we are required to calculate the cost of running the service in line with Government

guidance. The running costs of the Council's care homes have been reviewed and it is proposed that the maximum charge should be increased from £718.76 by 3% to £740.32 per week. This will only affect a few long stay residents who have the means to pay and any short stay residents who have savings above the savings threshold of £23,000.

- 3.3.3. All care home residents funded by Adult Social Care will be reassessed from April 2009 in line with their increased pensions and benefits and in compliance with national regulations. The majority of residents are required to contribute less than £200 per week.

### **3.4 Summary:**

These proposals are intended to bring charges more into line with the actual cost of provision. Service users are charged according to their means (excepting the fixed charges for meals and transport) and therefore this proposal affects the minority of service users who have sufficient means to pay the maximum charges.

## **4. CONSULTATION**

- 4.1 This report has been circulated to all ASC managers and discussed in relevant budget meetings.

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

- 5.1 The maximum charges set out in the proposals will affect the small number of clients who have been financially assessed to be able to meet the full cost of services. The overall level of additional income from these above inflation proposals is estimated at £30,000 and this assumption will be included within the budget package.

The options presented on the maximum weekly charge for non residential services will apply to those clients that have capital above the set thresholds and will approach the situation where the charge reflects the cost of the service. Option A offers protection to existing clients for one year.

The proposed maximum charge for in house residential services reflects the assessed cost of service as required by regulation.

*Finance Officer Consulted: Anne Silley 30<sup>th</sup> December 2008*

### **5.2 Legal Implications:**

The proposals are in line with the Department of Health charging guidance introduced in October 2002, which require charging policies to be consistent and equitable. The guidance also requires there to be a single financial assessment for those eligible for both Supporting People and Social Care services, which is provided for by the policy.

The increase in charges will enable the Council to continue to meet its statutory duties in accordance with best value principles, reflecting the fact that the actual costs of services are currently significantly higher than maximum charges. As the charges are based on individual financial assessments, the methodology for applying charges is fair and transparent.

*Lawyer Consulted: Hilary Priestley     Date: 05/01 /09*

**5.3 Equalities Implications:**

Adult Social Care services are provided to the most vulnerable people in the city. This charging policy applies equally to all service users across all categories of disability and vulnerability and all minority groups who are in need of such services. Staff in the financial assessment team also aim to maximise state benefits for all service users in order to enhance their financial wellbeing.

**5.4 Sustainability Implications:**

There are no implications for the charging policy.

**5.5 Crime & Disorder Implications:**

There are no implications for the charging policy.

**5.6 Risk and Opportunity Management Implications:**

There are no implications

**5.7 Corporate / Citywide Implications:**

This is a citywide charging policy for all Adult Social Care service users.

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

6.1 No Increase in charges would lead to a loss of income

6.2 Higher increases would lead to an unfair burden on service users with higher savings and income.

**7. REASONS FOR REPORT RECOMMENDATIONS**

7.1 The Council is required to have an approved charging policy for Adult Social Care non-residential services and, in accordance with this policy, service users are required to contribute towards the cost in accordance with their personal financial circumstances. In April, each year, the service users' benefits increase and it is therefore timely and appropriate to review the policy and the charges.

7.2 The cost of service provision continues to rise and each April the council approves increased fee rates to our care providers. In order to help fund these additional costs it is appropriate to look to our service users to contribute a little more if their financial circumstances allow.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

None

### **Documents In Members' Rooms**

1. Current Charging Policy for 2008/9

### **Background Documents**

None