

Public Document Pack

Executive Member Decisions

Friday, 24th March, 2023
10.00 am

AGENDA

1. **Proposed Increase to Client Charges & Contributions
for 2023/2024**
EMD Proposed Increase to Client Charges & Contributions for 2023 2024 **2 - 6**
AppendixA Clientchargescontributionsfor202324

Date Published: Friday, 24th March, 2023
Denise Park, Chief Executive

EXECUTIVE MEMBER DECISION



REPORT OF:	Executive Member for Adults Social Care & Health
LEAD OFFICERS:	Strategic Director of Adults and Health
DATE:	24 March 2023

PORTFOLIO/S AFFECTED:	Departments
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WARD/S AFFECTED:	(All Wards);
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SUBJECT: Proposed Increase to Client Charges & Contributions for 2023/2024

1. EXECUTIVE SUMMARY

The Council considers an increase to all fees and charges as part of its budget process each year. This report seeks approval from the Executive Member for the proposed changes to client charges and contributions across Adult Social Care for 2023/2024.

2. RECOMMENDATIONS

That the Executive Member **APPROVES**:

- The proposal to increase the client charge for day care services from **£36.80** to **£40.50** (rounded to be divisible by 2) per day in line with the 10.1% rise in pensions.
- The proposal to increase the cost of meals in day care services from **£4.00** to **£4.40** per meal in line with the **10.1%** rise in pensions and to reflect a more realistic market value.
- The proposal to increase the cost of transport from **£1.80** to **£2.00** per journey in line with the **10.1%** rise in pensions and to reflect a more realistic market value.
- The proposal to increase the client charge for home care and respite care from **£15.04** to **£16.72** (rounded to be divisible by 4), per hour, to reflect the CPI rate of **11.1%** as at October 2022.

All charges will apply for 2023/24 and are effective from 1st April 2023.

3. BACKGROUND

As part of the annual budget setting process a review of all income is undertaken across the Council, and the Council considers increases to all fees and charges within that process, especially in light of continuing budgetary and service related pressures. Since 2011/12 the scope of increases to be applied

has been delegated to the Executive Member within each portfolio to take into account benefit increases, wage rises, market forces and fee setting in neighbouring authorities.

If approved the revised fees and charges for 2023/2024 will be published on the Council's website to allow departments to give the appropriate notice periods to service users prior to implementation on 1st April 2023.

Under current legislation, following an assessment of their care needs, individuals in receipt of care services are subject to financial assessment to determine what level of contribution they will make towards the cost of their care and what support the local authority will fund. This is based on an assessment of the individual's income and assets. In December 2021 the Government announced several reforms in respect of charging including:

- **Charging Reforms** – Introduction of a Care Cap which limits the amount that any individual will have to pay towards the cost of their care in their lifetime.
- **Charging Reforms** – Change in the existing means test for chargeable care services.
- **Fair Cost of Care** – establishment of a fair cost of care across local authority care providers
- **Care Brokerage** – enactment of responsibilities for the Local Authority under the Care Act - Section 18(3)

In the Chancellor's Autumn budget statement on 17th November 2022, the Government confirmed that all parts of Charging Reform are delayed until October 2025 at the earliest, including the more generous means test charging thresholds, the care cap and the new Care Act Section 18(3) commissioning responsibilities. However the Fair Cost of Care requirements remain albeit with an extended period to 'move towards' paying the fair cost of care to our providers. This impacts directly on the amount the Local Authority charges and recovers for Care Services.

Local Authorities were recently required to undertake the Fair Cost of Care exercise and submit their outcome and Market Sustainability Plans to the Department of Health and Social Care by 14th October 2022. These were submitted for Blackburn with Darwen Borough Council in line with DHSC requirements and we have since published these documents on the Council website. This Fair Cost of Care exercise is relevant to the establishment of a number of our charges, in particular those for home care and respite care services.

4. KEY ISSUES & RISKS

2022/23 has proven to be yet another challenging year for the care sector post pandemic. The proposed increases in the National Living Wage of **9.7%** and the increase in cost of living with inflation currently at **11.1%**, impacts significantly on costs resulting in increasing pressure from care providers to increase provider fees to meet these additional costs and to maintain a level of parity with other Local Authority providers across the L&SC system.

Whilst the requirement to 'move towards' paying a fair cost of care is delayed, we understand the pressures providers are facing as a consequence of the rises in the cost of living and as a local authority we do recognise the need to increase our fees, alongside other actions in order to support providers to meet those challenges. The level of increase to provider fees from April 2023 is yet to be agreed but it is likely that any agreed increase will be higher than just base rate inflation.

The government have confirmed that the state pension rate from April 2023 will increase by **10.1%**. If the Council limited charges for home care and respite care to pension inflation that would widen the gap between our purchasing costs and our potential for recovering costs/income generation.

By increasing the cost of homecare and respite by the proposed 11.1% in line with CPI we are keeping in step with the differential between the client charge and the provider rate.

It is acknowledged that benefit increases of **10.1%** will apply to people of a pensionable age, who make up the vast majority of service users paying full charge for homecare and respite and day services. Should people be adversely affected in terms of hardship, the financial assessment team will undertake a review of their circumstances.

It should also be noted that any increase to client charges will only impact on those individuals who are self-funders or who are financially assessed as having the resources to pay the full notional cost of the services they receive.

Historical uplifts for meals and transport were increased by 16% in 2020/2021 to reflect a more realistic market value and have remained at this level for two years. It is proposed that these charges are increased in line with the pension increase from April 2023.

5. POLICY IMPLICATIONS

This is an annual review of fees and charges as part of the service area's need to generate sufficient revenue to meet agreed budget. Under-achievement of the revenue targets is a risk for the Council given the current financial climate.

6. FINANCIAL IMPLICATIONS

As part of the ASC business plan a full review of all day care provision in 2023/24 is being considered which may further affect these charges.

The proposal to leave the fees for administration of Disabled Facilities Grants and Emergency Response Service in new Extra-Care schemes is unchanged.

The Court of Protection fees for Deputyship services are dictated by the Court's Practice Directions and remain unchanged.

The onsite emergency response service fee is agreed as part of the current contract and is unchanged.

The proposed changes to client charges are presented in Appendix A. If approved these charges will be implemented from 1st April 2023.

7. LEGAL IMPLICATIONS

Under the Care Act 2014 the Local Authority has a power to charge for providing certain care and support packages/services. Where the Local Authority decides to charge for a service, it must comply with the requirements of the Care Act 2014, and other relevant legislation. The Local Authority must not charge more for these services than is permitted under the Care and Support (Charging and Assessment of Resources) Regulations and must have regard to the Care and Support Statutory Guidance issued by the Department of Health and Social Care.

8. RESOURCE IMPLICATIONS

The work to implement the new charges will be undertaken by the Finance and Commissioning Teams.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

10. CONSULTATIONS

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded and published if applicable.

VERSION:	1
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CONTACT OFFICER:	Gill Minshall
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DATE:	7 th February 2023
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BACKGROUND PAPER:	
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All charges are shown inclusive of VAT where applicable

Detail of Charge	Vatable	Proposed Charge £	Existing Charge £	% Increase	Effective Date
ADULT RESPITE CARE					
Respite care - per week	N	121.18	109.06	11.11%	01 Apr 2023
HOME CARE inc Planned night visits					
Home care - per hour - Option 2	N	16.72	15.04	11.17%	01 Apr 2023
DAY CARE					
Day care - per day	N	40.50	36.8	10.05%	01 Apr 2023
MEALS IN DAY CARE (per meal)					
	N	4.40	4.00	10.10%	01 Apr 2023
TRANSPORT TO CARE CENTRES/LUNCHEON CLUBS (per journey)					
	N	2.00	1.80	11.11%	01 Apr 2023
ON SITE EMERGENCY RESPONSE SERVICE					
	N	3.00	3.00	0.00%	01 Apr 2020
DISABLED FACILITIES GRANT ADMINISTRATION FEE (per application)					
	N	Maximum fee of 12.5% of total of cost of works			
COURT OF PROTECTION					
Deputy services					
Completion of application	N	745.00	745.00	0.00%	01 Apr 2017
Annual management fee					
First Year	N	775.00	775.00	0.00%	01 Apr 2017
Each subsequent year (or 3.5% of saving where less than £16,000)	N	650.00	650.00	0.00%	01 Apr 2017
Reports (per annum)					
	N	216.00	216.00	0.00%	01 Apr 2017
Property Management fee (per annum)					
	N	300.00	300.00	0.00%	01 Apr 2017
Appointeeship Services					
Appointeeship fee (per week) (no charge if saving are less than £1,000)	N	10.00	10.00	0.00%	01 Jun 2018