



EXECUTIVE MEMBER DECISION

REPORT OF:	Executive Member for Adult Services and Prevention
LEAD OFFICERS:	Director of Adults and Prevention (DASS)
DATE:	04/3/2020

PORTFOLIO/S AFFECTED:	Adult Services and Prevention
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WARD/S AFFECTED:	All
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SUBJECT:	Increase to client charges and contributions for 2020/2021
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1. EXECUTIVE SUMMARY

The report makes recommendations for increases in the charges and contributions to be made for adult social care services as part of the council's annual budget review. Charges for social care services provided under the Care Act 2014 are levied in accordance with the relevant legislation and the Care and Support Statutory Guidance.

2. RECOMMENDATIONS

That the Executive Member approves the following:

- 2.1 The proposal to increase the client charge for home care, day care and respite care by 4% to reflect the rise in pensions and to keep in step with the differential between the client charge and the provider rate.
- 2.2 The proposal to uplift some historically low fees and charges (i.e. those for meals and transport) by 16% to reflect a more realistic market value for these services.
- 2.3 The proposal to leave the fees for administration of Disabled Facilities Grants and Emergency Response Service in new Extra-Care schemes unchanged.

3. BACKGROUND

- 3.1 The Council considers an increase to all fees and charges as part of its budget process each year. Since 2011 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.

- 3.2 If approved, the revised fees and charges for 2020/2021 will be published on the Council's website to allow departments to give the appropriate notice periods to service users prior to implementation at 6 April 2020.

4. KEY ISSUES

- 4.1 As part of the budget setting process a review of all income has been undertaken across the council, especially in light of continuing budget reductions and service related pressures. The proposed increases are set within the context of a 3.99% increase in the State Pension and the National Living Wage increase of 6.2% from April 2020 which impacts on costs. For the Health and Adult Social Care portfolio approval is now sought for the following proposals:
- From April 2020, an inflationary uplift of 4% will be applied to charges for day care. (This has been rounded to allow charges to be applied pro-rata for half-day attendances).
 - For home care, including planned night visits, a 4% increase to the hourly rate is proposed. (This is consistent with pension rises and reflects a contribution to increased cost of the National Living Wage increase that these providers will receive. The increased charge reflects contact time only and not the full cost to the council that allows for travel time.
- 4.2 **It should be noted that these increases above 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.**
- 4.3 It is also acknowledged that benefit increases of 4% will apply to people of a pensionable age. These make up the vast majority of service users paying full charge for homecare and day services.
- 4.4 As an increasing number of services move to more cafeteria or menu-based catering models, it is proposed that charges for meals (typically two courses) are increased to bring them nearer with market prices. It should be noted that financial assessments for client charges already make allowances for food expenses, and there is no real rationale for the council to continue to subsidise meals. Service users have the opportunity to bring in their own lunches if they wish. The proposal is to apply an increase of 16% to the current cost of meals.
- 4.5 It is proposed that the standard rate for respite care increases by 4% again to reflect increases in pensions.
- 4.6 For Transport, it is proposed that the current rate is uplifted by 25p per journey (16%). This will provide a more realistic charge in line with other voluntary transport schemes.
- 4.7 The proposal would implement the following new client charges and contributions:

Day Care

It is proposed that the daily attendance rate for Day Care is increased from £32.00 to £ 33.28 from April 2020.

Home Care including planned night visits

It is proposed that the hourly rate for Home Care is increased by 4.0% from £13.12 to £13.64 from April 2020.

Meals

It is proposed that the rate for meals currently at £3.45 increases to £4.00 from April 2020.

Adult Respite Care

It is proposed that weekly flat fee for Adult Respite Care increases from £94.64 to £98.70 from April 2020.

Transport

It is proposed that the transport charge is increased from £1.55 to £1.80 per journey.

On site Emergency Response Service (applies to New model Extra Care Schemes where receipt of this service is specified within tenancy agreements)

Charge to remain at £3.00 per week with a view to reviewing this charge as part of the Strategic Review of Extra-Care Housing.

Disabled Facilities Grant Admin Fee

This service charges on the basis of a maximum of 12.5% of the total costs of adaptation works, and as such has no set fee. (No change proposed).

- 4.8 Service users may be concerned about the acceptability of the proposed increases in charges. The council's Adult social care team have an established approach to check the circumstances of anyone reducing or cancelling services, especially where there is an indication that the person may not have the mental capacity to make decisions in their best interests. Charging guidance allows charges to be made against net disposable income and the council currently only levies charges against 90% of this income.
- 4.9 For those over pensionable age, pensions will rise by almost 4% in 2020/2021 which will mitigate the impact of increased costs for full charge clients.
- 4.10 Those below pensionable age who are required to contribute the full charge due to their income levels or savings amount to 24 individuals as of 17 January 2020. This is around 3% of people in this group receiving services. These cases can be reviewed by the finance team to explore the circumstances where people may be expressing/ experiencing financial hardship.

5. POLICY IMPLICATIONS

- 5.1 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 revenue targets is a risk for the Council given the current financial climate
- 5.2 The council will review the circumstances of anyone reducing or cancelling services as a result of the revised charges in line with its social work risk management policies.

6. FINANCIAL IMPLICATIONS

- 6.1 The value of additional income from these service users is difficult to quantify due to the changing client base and financial circumstances of people that use the council's social care services.
- 6.2 Additional income generated through these proposed charges will contribute to the savings target required by portfolios as part of the budget setting process.
- 6.3 These fees to be implemented from 6th April 2020.
- 6.4 There are no fees and charges to the public for Public Health services.

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. They 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

The impact of the NLW increase and proposals for increases in Residential and Domiciliary care costs for Blackburn with Darwen has been discussed at provider forums and with individual Providers.

The increases in charging are in line with the vast majority of other local authorities.

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.

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CONTACT OFFICER:	Mike Banks
DATE:	04/03/2020
BACKGROUND PAPER:	