

CABINET MEMBER FOR COMMUNITY WELLBEING, HEALTH & CARE

RECORD OF DECISIONS of the meeting of the Cabinet Member for Community Wellbeing, Health & Care held on Monday, 12 February 2024 at 5.00 pm at the Guildhall, Portsmouth

Present

Councillor Matthew Winnington (in the Chair)

Councillors Lewis Gosling
 Graham Heaney
 Brian Madgwick

1. Apologies for absence

There were no apologies for absence.

2. Declarations of interest

There were no declarations of interest.

3. Adult Social Care Fees and Charges 2024-2025

Richard Webb, Deputy Director of Finance, introduced the report, noting that officers were not seeking approval of the final fees and charges but rather delegated authority for the mechanism to calculate them. Adult Social Care (ASC) clients would be subject to financial assessment in line with the Care Act 2014 and related regulations. If clients were already contributing to their care costs and were assessed as eligible to pay the maximum level the changes would not impact them. For organisations placing clients in the council's services, full cost recovery would be sought as far as possible. It would be the responsibility of the funding organisation to decide what charges they pass on to their clients.

In response to questions from members about the extent of the responsibility that other organisations had under the Care Act, Andy Biddle, Director of Adult Social Care, thought that according to his experience there would not be anomalies. The main contracting organisations were other local authorities or the Integrated Care Board (the commissioning arm of the NHS). There would be no charges for those whose care was paid for by the NHS. Other local authorities would assume Care Act responsibilities and operate under a similar mechanism. They would apply their own criteria, for example, a tapering income for those with assets between the lower and upper limits of £14,250 and £23,250. Mr Webb confirmed that organisations would have to follow the Care Act principles.

Officers explained the wording in the Integrated Impact Assessment "to promote healthy, safe and independent living" meant the policy was not seeking to adversely impact living standards. The aim was to balance

challenging financial circumstances, manage finances and increase income. ASC carried out individual financial assessments and provided personalised advice and service, for example, providing advice on benefits.

With regard to the 28% increase for the weekly charge for residential care the policy was seeking to move to a full cost recovery basis and to provide some equity between the council's clients who were placed in in-house services and those with an external provider. The external average market rate was set at the difference between the current rate and the external market provider rate and gave an increase of 28%. The increase might seem high but there have been significant changes in the costs of the external care market so the aim was to provide some equity between clients whilst recognising rising costs. It was not full cost recovery and only those with assets of more than £23,250 would pay everything; others would be the same or nil cost.

Councillor Winnington noted the policy was linked to the budget report that was going to Full Council the following day and asked how it would impact the safeguarding of other ASC services. Mr Biddle explained that every year where gaps between income and expenditure were identified there was discussion across Directorates about how finding savings should be allocated. The principles were to maintain statutory services that have an impact on residents which meant savings would not have to be made to them. For the 2024/2025 financial year ASC was contributing to corporate savings by raising fees and charges rather than cutting services.

Councillor Winnington reiterated the council's approach was to maintain services and generate income whilst affecting frontline services as little as possible. It had to make its books balance but that meant an invidious impact on other service areas, which illustrated the broken social care system. Councils had been promised a plan by central government since 2017 and nothing was forthcoming even though local government kept asking. There were unlikely to be any developments until after the general election. The council was still under huge financial pressure though others were in worse straits.

The council already delegated authority when setting fees for the independent sector. It was not a case of abrogating responsibility as it would always set parameters; regulations about fees and charges were very specific. The policy aimed to protect frontline services as well as the assets of those clients who paid full cost from depreciating too quickly, as the council might end up paying for them anyway. The aim was fairness.

Councillor Winnington thanked Mr Biddle and Mr Webb and his team; the reports were always very clear. Rather than having to wait for the budget each year, ASC had a systematic process which had improved relationships with and given certainty to care providers.

DECISIONS

The Cabinet Member

- 1. Agreed the following changes to the mechanism for setting the Adult Social Care fees and charges for the financial year 2024-25:**

- i. A one-off alignment of fees and charges for City Council clients in In-House Residential and Nursing services to the external market average rates (as defined at paragraphs 5.7 and 5.8).
- ii. A one-off alignment of fees and charges for City Council clients in In-House Older Persons Day Services, to the mid-point between the current daily fee rate and the daily cost of providing the services for 2024-25.
- iii. The alignment of fees and charges for Other Organisations, to the cost of provision of services, together with the introduction of a 15% overhead charge, for the following:
 - a) In-House Residential and Nursing Services
 - b) In-House Day Services
 - c) Supported Living Services at Temple Court and Moorings Way

2. Delegated authority to the Director of Adult Social Care and in consultation with the Finance Manager for Adult Social Care to adjust the fees and charges for 2024-25 in line with the CPI Inflation Rate at September 2023, or in line with the proposals set out at recommendation (a), (up to a maximum value for full cost recovery) subject to the necessary rounding adjustments highlighted at paragraph 3.2 and recommendation (d).

3. Delegated authority to the Director of Adult Social Care in consultation with Finance Manager for Adult Social Care:

- i. To adjust annually, (commencing financial year 2025-26) existing fees and charges on the 1st April each year in line with the CPI inflation rate in the preceding September (up to a maximum value for full cost recovery), and subject to (ii) and (iii) below.
- ii. Fees and charges for Other Organisations, will be set at a rate to enable the recovery of the cost of providing the services, together with a 15% overhead contribution rate, for the following:
 - d) In-House Residential and Nursing Services
 - e) In-House Day Services
 - f) Supported Living Services at Temple Court and Moorings Way
- iii. To align the City Council client fee rates, every third year, for In-House Residential and Nursing services to the average external provider rates (based on the average cost of new placements between April and September in the preceding year, adjusted for expected inflationary uplifts in the relevant year). The first realignment will be for financial year 2027-28.

The above will also be subject to the necessary rounding adjustments highlighted at paragraph 3.2 and recommendation (d).

4. Agreed that where it is proposed to amend an existing fee or charge by an amount different to that calculated in accordance with recommendation (c), that the proposal is published within the Members Information Service in advance of the start of the financial year to which the fee and charge relate.

5. Noted that the proposed In-House Residential and Nursing care rates to City Council clients will be significantly less than the current cost of provision of these services and therefore will not fulfil the full-cost recovery principles generally applied by the City Council.

6. Noted that whilst there are references to full cost recovery within this report, the relevant fee rates will be set in advance of the commencement of the relevant financial year, based on the initial budget estimates. This initial budget will include provisional pay-award assumptions for the forthcoming year, which may differ from the final agreed pay award.

7. Noted that the Director of Adult Social Care will bring forward a policy proposal during 2024 on the use of transport that ensures equity for all residents who access transport in connection with meeting care needs. This policy will also contain proposals on how to move closer to cost recovery in charging.

The meeting concluded at 5.26 pm.

Councillor Matthew Winnington
Chair