

Title of meeting: Cabinet Member for Health, Wellbeing & Social Care

Date of meeting: 18 February 2020

Subject: Adult Social Care Fees and Charges 2020-21

Report from: Innes Richens, Chief of Health & Social Care Portsmouth

Report by: Richard Webb, Finance Manager

Wards affected: All Wards

Key decision: No

Full Council decision: No

1. Purpose of report

- 1.1 The purpose of this report is to seek approval for the fees and charges rates in relation to services provided by Adult Social Care for the financial year 2020-21; as well as approval for the future annual rate adjustment mechanism for fees and charges.

2. Recommendations

- 2.1 It is recommended that the Cabinet Member:
- a. Agree to increase current fees and charges by 1.7%, with effect from 1st April 2020, in line with the CPI inflation rate as at September 2019, (as shown at Appendices 1 to 4) subject to the rounding adjustments highlighted at paragraph 3.2.
 - b. Note that the proposed in-house residential and nursing care rates are 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.
 - c. Agree that authority to vary the charges to other bodies (Appendix 1 and 2) during 2020-21 (to reflect the demand for services) be delegated to the Director of Adult Social Care in consultation with the Finance Manager for Adult Social Care.
 - d. Delegate authority to the Director of Adult Social Care and the Finance Manager for Adult Social Care, to adjust annually existing fees and charges on the 1st April each year in line with CPI inflation rate in the preceding September, (up to a maximum value for full cost recovery)

subject to the necessary rounding adjustments highlighted at paragraph 3.2 and recommendation (e).

- e. Agree that where it is proposed to amend an existing fee or charge by an amount different to that calculated in accordance with recommendation (d), 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.
- f. Agree to introduce the proposed charge for 'Intermediate Care' from week 7, where the care continues to be provided in excess of the statutory 6 week period, as detailed within section 5 of the report.
- g. Delegate authority to the Director Adult Social Care in consultation with the Finance Manager for Adult Social Care to set fees for administrative support provision not within the scope of the Care Act 2014 or the statutory responsibilities of the service; as and when requested based on cost.

3. Background

- 3.1 The appendices show details of the current and proposed charges. Appendices 1 and 2 show residential and day care rates, whilst appendix 3 shows the Shared Lives and a range of other non-residential services. Appendix 4 shows the administration fees.
- 3.2 Please note that residential charges are adjusted to give the nearest charge that is divisible by 7 and rounded to the nearest £1 in order to allow the calculation of a daily rate. Day care charges are rounded to the nearest £1 with the exception of transport costs. Other charges including administration fees will be rounded as appropriate.

4. Legal Power to Charge

- 4.1 The Care Act¹ provides a single legal framework for charging for care and support under sections 14 and 17 of the Act. It enables a local authority to decide whether or not to charge a person when it is arranging to meet a person's care and support needs or a carer's support needs. Where a local authority arranges care and support to meet a person's needs, it may charge the adult, except where the local authority is required to arrange care and support free of charge.
- 4.2 Under the Care Act, Local Authorities have a duty to arrange care and support for those with eligible needs and a power to meet both eligible and non-eligible needs. In all cases, a local authority has the discretion to choose whether or not to charge under section 14 of the Care Act following a person's needs assessment. Where it decides to charge, it must follow the Care and Support (Charging and Assessment of

¹ Care Act 2014

Resources) regulations and have regard to the Care Act guidance. The detail of how to charge an individual is different depending on whether someone is receiving care in a care home, or their own home, or another setting.

- 4.3 In deciding what it is reasonable to charge, local authorities must ensure that they do not charge more than is permitted under the regulations and guidance.
- 4.4 When choosing to charge, a local authority must not charge more than the cost that it incurs in meeting the assessed needs of the person. It also cannot recover any administration fee relating to arranging that care and support. The only exception is in the case of a person with eligible needs and assets above the upper capital limit (currently £23,250) who have asked the local authority to arrange their care and support on their behalf in a non-care home setting.

5. Proposed Charges for 2020-21

- 5.1 The appendices show the details of the current and proposed charges for 2020-21. The proposed changes reflect the increases based on the Consumer Price Index (CPI) inflation rate of 1.7% as at September 2019, as this approach is in line with measure generally used to uprate social security benefit rates from April each year.
- 5.2 It is also proposed that future increases in fees and charges each April are linked to the inflation rate as at the preceding September, in order to provide clarity and transparency of approach to service users.
- 5.3 The charges detailed in Appendices 1 to 4 will apply where there is no existing ongoing contract. Where an ongoing contract for services is in place, then the contractual calculation for charges will apply.
- 5.4 It is recommended that authority to vary the charges to other bodies (Appendix 1 and 2) during 2020-21 (to reflect the demand for services) be delegated to the Director of Adult Social Care in consultation with the Finance Manager for Adult Social Care.

In-house residential services

- 5.5 A report was presented to Cabinet on the 4th February 2020, which sought to consider the likely demand for care home places within the next 3-5 years; the costs of residential and nursing home care that is owed and managed by the City Council; and options to ensure maximum value for money from PCC provided care.
- 5.6 The report specially highlighted that in-house care costs for Portsmouth are lower than the majority of Local Authority comparators, though higher than the independent sector. The principle reason for the

disparity in costs between private and public sector provision in Portsmouth is the City Council policy of applying a shift allowance. A shift allowance is paid as a percentage increment on basic salary to reflect the degree of disruption to life that a shift pattern causes (when compared to an employee on flexitime).

- 5.7 Given the disparity in costs between the independent and public sector provided residential care and the costs of staffing capacity that is currently under occupied, the service is considering options for parts of the current Harry Sotnick facility. These options need to take account of the needs of Portsmouth residents, pressures in the Health & Care Portsmouth system and value for money in in-house provision.
- 5.8 Therefore Members are asked to note that the proposed in-house residential and nursing care rates are 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 for financial year 2020/21.

Intermediate Care Charges

- 5.9 The Victory Unit has historically provided Intermediate Care which as defined by Regulation² as meeting the following criteria:
- (a) consists of a programme of care and support;*
 - (b) is for a specified period of time; and*
 - (c) has as its purpose the provision of assistance to an adult to enable the adult to maintain or regain the skills needed to live independently in their own home.*
- 5.10 The Regulations³ also mandate that Intermediate Care is provided free of charge for the first 6 weeks. It is now proposed to introduce a fee from week 7, where Intermediate Care continues to be provided in excess of the statutory 6 week period. The proposed fee will be in line with existing charges for residential stays at other PCC facilities, and as detailed above will not meet the principle of full cost recovery.
- 5.11 Where clients are to be charged, they would be only be expected to contribute up to their maximum assessed charge; based on a financial assessment of their means in accordance with the Care Act 2014 and the related Care & Support (Charging & Assessment of Resources) Regulations.
- 5.12 During the course of 2020/21, consideration will be given to the level of utilisation of the Victory Unit and whether there is an opportunity to utilise any spare capacity in the unit to provide a wider range of bed

² Regulation 3(3) Care & Support (Charging & Assessment of Resources) Regulations 2014

³ Regulation 3(2) Care & Support (Charging & Assessment of Resources) Regulations 2014

based care and support services in addition to Intermediate Care. Any proposals to expand the utilisation of the Victory Unit will be presented to a future Portfolio Decision meeting.

Administrative support fees

- 5.13 Occasionally Adult Social Care is requested by families or carers to assist them in supporting the client with various administrative tasks that are not within the scope of the Care Act 2014 or the statutory responsibilities of the service.
- 5.14 A recent example of such a request, is where representatives of the clients receiving eligible care and support from the City Council, requested administrative support to provide cash to the clients. The reason for this request, was that the representatives who had power of attorney lived out of the area and could not easily provide this support directly to the client.
- 5.15 In order to support the client's representatives, Adult Social Care and the finance team provided access to use the city council pre-paid card facilities to enable the representative to top-up the card and provide cash to the clients. As a consequence the Council incurred additional ongoing charges from the card provider, as well as officer time in supporting these arrangements.
- 5.16 It is proposed that authority is delegated to the Director of Adult Social Care in consultation with the Finance Manager for Adult Social Care to set fees for such support as and when requested based on cost. This will enable the Council to provide a responsive service which can enhance the wellbeing of clients, without bearing additional costs for non-statutory support.

6. Reasons for Recommendations

- 6.1 It is recommended that the fees and charges are increased as proposed in order to maintain the resources available to meet the needs of vulnerable people for Adult Social Care services.

7. Integrated Impact Assessment

- 7.1 A preliminary Integrated Impact Assessment (IIA) has been carried out (Appendix 5). From this it has been determined that a full IIA is not required.

8. Legal comments

- 8.1 The report contains the legal basis for initial charging and refers to the appropriate Regulations. Additionally the basis of charging is within scope and proportionate thereby mitigating as against any potential

challenge. Such services as are subject to additional payments (admin) are limited and referred to within the report (5.14- 5.17).

9. Finance comments

- 9.1 Finance comments are included within the body of the report.
- 9.2 Adult Social Care clients will only be expected to contribute up to their maximum assessed charge for residential and day care services; based on a financial assessment of their means in accordance with the Care Act 2014 and the related Care and Support (Charging & Assessment of Resources) Regulations, where services are provided under this Act.

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Signed by:

Appendices:

- 1 - Weekly Charges-Residential Accommodation.
- 2 - Charges for Day Care.
- 3 - Other Charges and Direct Payments.
- 4 - Administration Fees.
- 5 - Integrated Impact Assessment

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
The Care Act	www.legislation.gov.uk
Care & Support (Charging & Assessment of Resources) Regulations	www.legislation.gov.uk
Fees & Charges Finance Calculations	ASC Finance Team

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by:



WEEKLY CHARGES - RESIDENTIAL ACCOMMODATION 2020/21

APPENDIX 1

	DESCRIPTION	CITY COUNCIL CLIENTS		CHARGE TO OTHER BODIES	
		Current Charge per week 2019/20	Proposed Charge per week 2020/21	Current Charge per week 2019/20	Proposed Charge per week 2020/21
		Recommended			
		£	£	£	£
1	Residential Care for Older People with Dementia in our in house units	742	756	847	868
2	Residential Care for Adults with a Learning Disability	742	756	1,463	1,491
3	Nursing Care for Older People (Before Funded Nursing Care Deductions)	1,099	1,120	1,099	1,120
4	Intermediate Care		756	0	868

- i** Uplifted 1.7% in line with CPI as at Sep 2019
- ii** All rates exclude any additional costs relating to exceptional needs. Support for exceptional needs will be charged on a case by case basis, based on cost.
- iii** Any charge for Nursing Care will be reduced by the FNC amount an individual is eligible for.
- iv** Charges to City Council clients are calculated using a financial assessment of their ability to pay based on the requirements of the Care Act 2014 and the related charging Regulations. The majority of clients will pay less than the maximum proposed weekly charge shown above as a result of this assessment.
- v** As per Care Act 2014 and the related charging Regulations the first 6 weeks of intermediate care will be provided free of charge. Charges for intermediate care will only apply to care after this period.

CHARGES FOR DAY CARE 2020/21

APPENDIX 2

Description	CITY COUNCIL CLIENTS		CHARGE TO OTHER BODIES	
	Current Charges 2019/20	Proposed Charges 2020/21	Current Charges 2019/20	Proposed Charges 2020/21 Note 1
		Recommended		
<u>DAILY CHARGES</u> <u>Day Care Establishments</u>	£	£	£	£
1 Day Services for Older People (Royal Albert DC)	51	52	72	73
2 Royal Albert Day Centre - daily transport rate (note 3- see below)	6.35	6.45	10	10.17
3 Royal Albert Day Centre - bathing rate	16	16	N/A	N/A
4 Day Services for Adults with a Learning Disability (SensePlus)				
5 - Low - excluding transport (note 2- see below)	60	61		
6 - Medium - excluding transport (note 2- see below)	117	119		
7 - High - excluding transport (note 2- see below)	195	198	See Comments	See Comments
8 - SensePlus & Russets transport rate - full day	21	22	See Comments	See Comments
9 - SensePlus transport rate - half day		11		

i Uplifted 1.7% in line with CPI as at Sep 2019

ii All rates exclude any additional costs relating to exceptional needs. Support for exceptional needs will be charged on a case by case basis, based on cost



OTHER CHARGES AND DIRECT PAYMENTS FOR 2020/21

APPENDIX 3

	Description	Note See below	Current Charges 2019/20	Recommended 2020/21
			£	£
	Meals			
1	Meals for Adult Social Care clients:			
	Meals for service users provided by Adult Social Care establishment		4.20	4.30
2	Meals for Staff and Visitors at Residential and Day Care establishments (inclusive of VAT)			
3	Main meal		4.20	4.30
4	Tea/Coffee (supplied by Day Services)		0.50	0.50
5	Shared Lives - vulnerable adults live as part of a carers family in a safe, homely environment			
6	Daily Contributions by client			
7	Utilities	1	2.38	2.42
8	Food	1	8.10	8.24
9	Rent		11.34	11.54
	Total		21.82	22.20
	Shared Lives Direct Payments			
10	Payments to Shared Lives Carers - Weekly rates - Long Stay Placements			
11	Band 1 - Weekly rate		163.94	166.60
12	Band 2 - Weekly rate		273.98	278.60
13	Band 1 - Daily rate		23.42	23.80
14	Band 2 - Daily rate		39.14	39.80
13	Band 1 - Daily rate = 50%		11.71	11.90
14	Band 2 - Daily rate = 50%		19.57	19.90
15	S117 (rent, food and utilities, care and support)			
	Band 1		45.24	46.00
	Band 2		60.96	62.00
	Band 1 - 'holiday'		33.53	34.10
	Band 2 - 'holiday'		41.40	42.10
16	Payments to Shared Lives Carers - Other Payments			
17	Day Care - hourly rate up to four hours		11.86	12.06
18	Day Care - flat rate over four hours		49.76	50.60
19	Short Break - flat overnight rate		49.76	50.60
20	Unaccompanied "Tea visit"		10.30	10.48
21	Unaccompanied visit over 2 hours and including a meal		20.54	20.88
22	Daily family & friends rate		18.80	19.12

NOTES

- i Uplifted 1.7% in line with CPI as at Sep 2019

ADMINISTRATION FEES FOR 2020/21

APPENDIX 4

		Current Charges	Proposed
	Description	2019/20	2020/21
		£	£
1	Deferred Payment Agreements administration fee		
	Initial set-up	601	611
	Ongoing support annual fee	437	444
2	Non-Residential Care and Support Arrangement Fee		
	Initial set-up	37.50	38.15
	Ongoing support weekly fee	10.00	10.15
3	Other fees		
	Administrative support	-	Ad Hoc based on cost

NOTES

- i This charge has been based upon the average full cost of providing this service.
- ii Arrangement fees are applicable for self funding clients as defined by Care Act 2014
- iii Uplifted 1.7% in line with CPI as at Sep 2019
- iv The non-residential care and support weekly arrangement fee will be charged weekly where the care package remains open with the provider. This includes those instances where there has been a temporary break or suspension.