

**From:** Graham Gibbens, Cabinet Member for Adult Social Care and Public Health

Andrew Ireland, Corporate Director of Social Care, Health and Wellbeing

**To:** Adult Social Care and Health Cabinet Committee –  
10 March 2016

**Decision No:** 16/00016

**Subject:** **PROPOSED REVISION OF RATES PAYABLE AND CHARGES LEVIED FOR ADULTS' SERVICES IN 2016-17**

**Classification:** Unrestricted

**Past Pathway of Paper:** Social Care Health and Wellbeing DMT – 20 January 2016

**Future Pathway of Paper:** Cabinet Member decision

**Electoral Division:** All

**Summary:** This paper sets out the proposed rates and charges for Adult Social Care Services for the forthcoming financial year, along with any potential changes to the Adult Social Care charging policy, and sets out officer recommendations to the Cabinet Member for decision.

**Recommendation:** The Adult Social Care and Health Cabinet Committee is asked to **CONSIDER** and either **ENDORSE** or make a recommendation to the Cabinet Member on the proposed decision (attached as Appendix 1) to:

a) **APPROVE**

- i. The Client contributions for residential care for older people remain at £463.07
- ii. The Client contributions for residential care for people with learning difficulties remain at £631.26
- iii. The Wellbeing Charge - Better Homes Active Lives scheme for older people remain at £15.00
- iv. The Wellbeing Charge - Better Homes Active Lives scheme for people with learning difficulties remain at £44.92
- v. The Notional charges for Day Care remain at:
  - Learning Disability – Day centre £37.64
  - Learning Disability – Day Centre half day £18.82
  - Older People – Day Centre £29.99
  - Older People – Day Centre half day £15.00
  - Physical Disability – Day Centre £35.80
  - Physical Disability – Day Centre half day £17.90
  - Older People with Mental Health Needs – Day Centre £35.45

- vi. The Client contributions for Meals Charges remain at:
  - Meal Charge £3.90
  - Meals and other snacks £4.90
  - Refreshments flat rate charge £1.00
- vii. For Local Authority Charges for Adult services:
  - Assessment hourly rate to increase to £68.76 per hour.

**b) NOTE**

- i. The recommendation to continue the £10 charge for blue badge
- ii. The continuation of the current mileage rate paid to Voluntary Drivers
- iii. The rates for consultancy work and key publications.

c) **DELEGATE** authority to the Corporate Director of Social Care, Health and Wellbeing, or other nominated officer, to undertake the necessary actions to implement the decision.

## **1. Introduction**

- 1.1 This report is produced annually and seeks approval of the Directorate's proposed rates and charges levied for the forthcoming financial year, along with any potential changes to the Adult Social Care charging policy. It is proposed, however, that the rates may be reviewed during the course of the year.
- 1.2 All proposed rates and charges levied for 2016-17 are listed in the attached appendix (Appendix 2) and represent those published in the annual booklet and on the Kent.gov.uk website.
- 1.3 The Kent County Council staff pay award for 2016-17 is based on a single performance-related payment unlike the separate cost of living award and performance reward elements that was the case for 2015-16. As there is no increase some adults' rates are proposed to remain unchanged. This is in line with the average Consumer Price Index (CPI) figure for the period April 2015 to September 2015 of 0%, which is also in line with the benefits uplift.
- 1.4 The effective date, unless otherwise stated, for all proposed changes to adult services will be the week beginning 11 April 2016.
- 1.5 The Care Act 2014 gives councils powers to charge 'self-funders' only for arranging or purchasing home care on their behalf. This is only to cover the costs incurred by the council when it provides this kind of help. However, councils are not permitted to charge for carrying out assessments or for arranging care in a care home. It is proposed that a one-off fee should be set out and following approval this should be included in the rates and charges for 2016/17. This will be a partial brokerage service (negotiating with a provider on behalf of the individual) and full brokerage service (negotiating with a provider, managing the provision of care and support including payments to the provider and contract management on behalf of the individual).

## **2. Charges and Rates Payable for Adult Services**

2.1 All rates and charges proposed for 2016-17 in respect of Adult Services are shown in the attached appendix (Appendix 2).

2.1.1 The increase in income and the increase in payments that these changes will bring have been included in the draft budgets for the services affected, which was agreed at County Council on 11 February 2016.

### **Client Contributions for Residential Care**

2.2 Since April 2015 the council has exercised powers to charge under section 14 of the Care Act 2014. The powers are further set out in the Care and Support (Charging and Assessment of Resources) Regulations 2014 and the associated statutory guidance. The way charges are being calculated following the means-testing assessment is broadly the same as pre April 2015 as a Key Decision was taken to preserve the status quo and to continue to charge on the same basis. This remains the case

2.3 Under current residential charging rules, people who have savings or investments of more than £23,250 will pay the full cost of their care.

2.4 The provision for residential care for adults falls into two categories:

- The council's own provision
- Placements affected through the independent sector, purchased by the council.

2.5 For those clients with the ability to meet the full cost of a placement in the council's own provision, the proposals for the maximum contribution are as follows:

a) Older People

**It is recommended that no increase be applied to this rate as the average CPI figure for the period April 2015 and September 2015 is 0%. The rate will remain at £463.07 for 2016-17.**

b) People with Learning Difficulties

**It is recommended that no increase be applied to this rate as the average CPI figure for the period April 2015 and September 2015 is 0%. The rate will remain at £631.26 for 2016-17.**

2.6 There is no maximum contribution for placements in independent sector homes, though the contract price is agreed between the council and the care home.

2.7 For those clients that do not have the ability to meet the full cost of their placement, they will be re-assessed using the Care Act 2014 rules and their contribution towards residential care will rise in accordance with either their pension or benefits.

## **Deferred Payments**

2.8 The Care Act 2014 introduced a new Universal Payments Scheme which all local authorities had to introduce from April 2015. The relevant sections of the Act are sections 34 and 35. Further details are provided in The Care and Support (Deferred Payment) Regulations 2014 and in the statutory guidance, the final versions of which were issued in October 2014. The Act confers a duty on local authorities to develop a mandatory scheme based on national regulations.

2.9 The council instituted a new Deferred Payments scheme (with both mandatory and discretionary elements) from April 2015, in accordance with the criteria in the Care Act 2014 and accompanying regulations and guidance. The rules allow interest and an administrative charge to be applied. It is proposed that both these aspects are treated in the same way as in 2015 and that the following applies:

(a) **Interest to be applied**

Under section 35 of the Care Act and Regulation 9 of The Care and Support (Deferred Payment) Regulations 2014, interest can be charged on the amount deferred for the purposes of a Deferred Payment agreement. Regulation 9 states that the maximum interest that can be charged is based on the “relevant rate” plus 0.15%. The “relevant rate” is the weighted average interest rate on conventional gilts. This is updated twice a year (1 January and 1 July) by the Department of Health (DH) and published by the Office of Budget Responsibility. In line with this requirement, the council will update the interest rate every January and July, in line with the maximum that can be charged. Interest will be calculated and compounded daily. For information the current rate to be applied is 2.15% from 1 January to 30 June 2016.

(b) **Administrative charge to be applied**

Under section 35 of the Care Act and Regulation 10 of The Care and Support (Deferred Payment) Regulations, an amount for administration costs can be charged to people entering a Deferred Payment agreement. This amount can be added to the amount deferred or paid separately. It is proposed that the administration cost for the council scheme should continue to be £480 at the start of the agreement, with £65 charged per year thereafter. These charges were recommended and agreed before the start of the scheme in April 2015 and were calculated based on the following costs: legal services and fees, staff, printing and postage costs involved in the invoicing process and staff costs involved in the financial assessment process. The staff costs used include the employer’s National Insurance and employer’s pension contributions. The costs associated with the role of case management have not been included and there is no amount included for overheads.

### **Personal Expenses Allowance**

- 2.10 This is part of the pension identified as being for a client's personal use and is set by the Department of Health; **the rate for 2016-17 has yet to be published for 2015-16 the allowance is £24.90 per week.**

### **Client Contributions for Non-Residential Care**

- 2.11 Under current non-residential charging rules, people who have savings or investments of more than £23,250, which has remained the same since April 2010, will pay the full cost of their care.
- 2.12 People who have savings under £23,250 will be assessed to see if they are able to make a contribution to the cost of their support. The contribution is based on their weekly income (including pensions and benefits), and any savings/investments between £14,250 and £23,250. Full details are in the "Charging for Homecare and Other Non-Residential Services Care" booklet.

### **Wellbeing Charge - Better Homes Active Lives (PFI) Schemes**

- 2.13 Non-residential charging rules will also apply to these schemes. However, when working out the cost of the care and support, an additional cost will be added to the cost of any hours of care and support.

#### **a) Extra-care schemes for older people**

This is the cost of the 24 hour emergency cover available (for example if a person falls).

**It is recommended that no increase be applied to this rate as the average CPI figure for the period April 2015 and September 2015 is 0%. The rate will remain at £15.00 for 2016-17.**

#### **b) Schemes for people with Learning Difficulties**

This is the cost of the sleeping night support service.

**It is recommended that no increase be applied to this rate as the average CPI figure for the period April 2015 and September 2015 is 0%. The rate will remain at £44.92 for 2016-17.**

### **Blue Badges**

- 2.14 With effect from 1 April 1983, this charge was introduced to cover the administration of the application. The regulations governing the Blue Badge scheme give local authorities the discretion to charge a fee on the issue of a badge.

**This fee currently cannot exceed £10. As from 1 January 2012, the council has charged £10 and it is recommended that this rate continues.**

### **Notional Charges for Day Care**

- 2.15 A notional rate applies to day care charges, however if the cost of care is lower than the notional charge then the lower charge will apply. People who have

savings under £23,250 will be assessed to see if they are able to make a contribution to the cost of their day care.

**It is recommended that no increase be applied to these rates as the average CPI figure for the period April 2015 and September 2015 is 0%. The rate will remain at unchanged for 16-17, as shown below.**

Care Item	Unit	Proposed Unit Charge (notional cost)
Learning Disability – day centre	Day	£37.64
Learning Disability – Day Centre half day	Session	£18.82
Older People – Day Centre	Day	£29.99
Older People – Day Centre Half Day	Session	£15.00
Physical Disability – Day Centre	Day	£35.80
Physical Disability – Day Centre Half Day	Session	£17.90
Older People with Mental Health Needs – Day Centre	Day	£35.45

### **Meals Charges/Other Snacks - Local Authority Day Centres**

2.16 There are two meal charges: (i) meals (ii) meals and other snacks.

**It is recommended that no increase be applied to these rates as the average CPI figure for the period April 2015 and September 2015 is 0%.**

	Proposed rate for 16/17
Meal Charge	£3.90
Meals and other snacks	£4.90

2.17 For refreshments a flat rate charge of £1 is to be applied.

### **Voluntary Drivers/Escort Mileage Rates**

2.18 The current rate is usually reviewed in line with the Chancellor of the Exchequer's annual budget announcement. This rate is currently set at 45p per mile and is not expected to change in the near future.

### **Other Local Authority Charges for Adult Services**

2.19 It is proposed to increase the rate by 1.5% which represents the assumed increase for the pay award for 2016-17. **It is proposed to apply an hourly rate of £68.76** which allows for the assumed percentage increase for the pay award uplift.

### 3. General Charges and Rates

#### Consultancy

3.1 County Council Finance dictates the rates to be levied for:

- i) Middle Management (£82 per hour);
- ii) Senior Management (£152 per hour);
- iii) Director, when undertaking consultancy work (£246 per hour).

#### Publications

3.2 The proposal is to leave the charge for key publications at £10, the same level as 2015-16

### 4. Legal Implications

4.1 This report distinguishes between those rates and charges over which Members can exercise their discretion and those which are laid down by Parliament.

### 5. Equality Implications

5.1 None.

### 6. Recommendations

**6.1 Recommendation:** The Adult Social Care and Health Cabinet Committee is asked to **CONSIDER** and either **ENDORSE** or make a recommendation to the Cabinet Member on the proposed decision (attached as Appendix 1) to:

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b) **NOTE**

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c) **DELEGATE** authority to the Corporate Director of Social Care, Health and Wellbeing, or other nominated officer, to undertake the necessary actions to implement the decision.

**7. Background Documents**

Care Act 2014

[http://www.legislation.gov.uk/ukpga/2014/23/pdfs/ukpga\\_20140023\\_en.pdf](http://www.legislation.gov.uk/ukpga/2014/23/pdfs/ukpga_20140023_en.pdf)

Care Act Support Statutory Guidance

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/315993/Care-Act-Guidance.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/315993/Care-Act-Guidance.pdf)

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