

From: Penny Southern, Corporate Director of Adult Social Care and Health

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

Decision No: 18/00067

Subject: **PROPOSED REVISION OF RATES PAYABLE AND CHARGES LEVIED FOR ADULT SERVICES IN 2019-20**

Classification: Unrestricted

Past Pathway of Paper: Adult Social Care and Health Directorate Management Team – 13 February 2019
Adult Social Care Cabinet Committee – 12 March 2019

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 Cabinet Member for Adult Social Care and Public Health is asked to:

a) **APPROVE** the proposed changes to the rates payable and charges levied for adult social care services in 2019-20 as set out in sections 2.5.1, 2.5.2, 2.6.4, 2.8.3, 2.10.2, 2.10.3, 2.12.1, 2.13.1, 2.14.1, 2.16.1, 3.2 and 3.3 of the report; and b) **DELEGATE** authority to the Corporate Director for Adult Social Care and Health, 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 adult social care services for the forthcoming financial year, along with any potential changes to the directorate's charging policy. It is proposed, however, that the rates may be reviewed during the year.
- 1.2 All proposed rates and charges levied for adult social care services for 2019-20 are listed primarily to service users in one of the attached appendices and represent those published on the Kent.gov.uk website.

- Appendix 1 lists the proposed rates for Adults Social Care Service
 - Appendix 2 lists the proposed charges general to the directorate
- 1.3 The report distinguishes between these rates and charges over which Members can exercise their discretion and those which are laid down by Parliament as published by the Department of Work & Pensions for 2019-20.
- 1.4 The pay award for 2019-20 is based on a single performance related payment rather than a separate cost of living award and performance reward element. The award for 2019-20 was confirmed by Kent County Council on 13 February as 2.8%. **This report recommends that the rates payable and charges levied for adult social care services for 2019/20 will increase by either the council's agreed pay award for 2019/20 of 2.8% or in line with the Consumer Price Index (CPI) as at September 2018 of 2.4%.**
- 1.5 The effective date, unless otherwise stated, for all proposed changes to the rates payable and charges levied for adult social care services will be the week beginning 9 April 2019, this coincides with the date of inflationary increases to client related benefits.

2 Charges and Rates Payable for Adult Social Care Services

- 2.1 All proposed rates payable and charges levied for 2019-20 in respect of adult social care services are shown in Appendix 1. For ease of members' reference, the basis of their proposed increase is shown throughout Section 2

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 pay the full cost of their care.
- 2.4 The provision for residential care for adults falls into two categories:
- The County Council's own provision
 - Placements affected through the independent sector, purchased by the County Council.
- 2.5 For those clients with the ability to meet the full cost of a placement in the County Council's own provision, the proposals for the maximum contribution are as follows:

2.5.1 Older People

It is recommended that this rate be increased in line with the council's pay award figure as at April 2019 of 2.8%.

The rate will be £494.26 for 2019-20.

2.5.2 People with Learning Disabilities

It is recommended that this rate be increased in line with council's pay award figure as at April 2019 of 2.8%.

The rate will be £673.77 for 2019-20.

2.5.3 Charges to Other Local Authorities and Public Bodies

2.5.4 The charge to other local authorities and public bodies for the use of in-house social care services will be agreed by the operational service on an individual placement basis and will be calculated based on full cost recovery. This information is not published within the annual Rates and Charges booklet or on the Kent.gov.uk website.

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

2.5.6 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 social care will rise in accordance with either their pension or benefits.

2.6 Deferred Payments

2.6.1 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. In addition to the mandatory scheme, the Act gives the local authority the power to offer Deferred Payments to a wider group of people on a discretionary basis.

2.6.2 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 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:

2.6.3 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 estimated rate to be applied is for the period 1st January to 20th June 2019 is 1.95% (gilt rate 1.8% plus 0.15%).

2.6.4 Administrative charge

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.

At the time of the introduction of the Care Act in 2014, a cost analysis was conducted to ascertain the appropriate fee to charge clients for the set-up of deferred payments and the yearly administration fee. Over the past three years the fee has either been kept the same, increased by CPI or by the cost of the council’s annual pay award amount.

The calculations for 2019-20 have been reviewed and uplifted in line with CPI for September 2018 of 2.4%

The new rates will be:

Initial Fee	£511.87
Annual Fee	£ 69.54*

* equates to £1.33 per week and is charge from the second year onward.

2.7 Personal Expenses Allowance

2.7.1 This is part of the pension identified as being for a client’s personal use and is set by the Department of Health; **the allowance for 2019-20 is £24.90 per week which is unchanged from the allowance applied in 2018-19.**

2.8 Administration fee for self-funders – Non-Residential Care

2.8.1 This was a new annual charge introduced in 2017/18 and agreed by the Adult Social Care and Health Cabinet Committee on 9 February 2017.

2.8.2 The Care Act 2014 introduced powers for local authorities to charge clients with eligible needs and financial assets above the upper capital limit, an arrangement fee for arranging their care needs and managing the contract with the care provider on the client's behalf. The relevant sections of the Act are sections 14b, conditions 2 in sections 18, and conditions 2 or 4 in section 20.

2.8.3 The charge by the council includes the following, cost of raising an invoice, cost of paying a provider invoice and the cost of negotiating and arranging a care package.

It is recommended that the annual arrangement fee be increased in line with the council's pay award as at April 2019 of 2.8%. The new charge will be £109.80 which equates to £2.10 per week.

2.9 Client Contributions for Non-Residential Care

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

2.9.2 People who have savings under £23,250 will be assessed to see if they are able to contribute 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.

2.10 Better Homes Active Lives (PFI) Schemes

2.10.1 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

2.10.2 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 this rate be uplifted in line with CPI as at September 2018 of 2.4%

The rate for 2019-20 will be 15.94.

2.10.3 Schemes for people with learning disabilities

This is the cost of the sleeping night support service.

It is recommended that this rate be is uplifted in line with CPI as at September 2018 of 2.4%.

The rate for 2019-20 will be £47.76.

2.11 Blue Badges

2.11.1 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, KCC has charged £10 and it is recommended that this rate continues.

2.12 Day Care Charging for In-House Services

2.12.1 A standard rate applies to in-house day care charges. People who have savings under £23,250 will be assessed to see if they are able to contribute to the cost of their day care.

It is recommended that the standard rate for in-house day care be increased in line with the council's pay award at April 2019 of 2.8%. The rates will be as shown in the table below for 2019-20.

Care Item	Unit	Proposed Unit Charge
Learning Disability Standard - Day	Day	£39.08
Learning Disability Standard - Half Day	Session	£19.54
Learning Disability Enhanced - Day	Day	£88.00
Learning Disability Enhanced - Half Day	Session	£44.00
Learning Disability Specialist - Day	Day	£132.00
Learning Disability Specialist - Half Day	Session	£66.00
Older People - Day	Day	£32.01
Older People - Half Day	Session	£16.02
Physical Disability - Day	Day	£38.21
Physical Disability - Half Day	Session	£19.11
Older People with Mental Health Needs - Day	Day	£37.84

2.13 In House Homecare Rates

2.13.1 A decision was made in January 2016 to charge for homecare services provided by Kent Enablement at Home (KEaH) after the initial six-week period, in instances where external provision of homecare could not be obtained. These rates could also be applied in instances where an external provider has

been commissioned to provide enablement services where external provision of homecare could not be obtained after six weeks. Work is currently underway to establish whether this needs to be considered.

It is recommended that this rate be increased in line with the council's pay award as at April 2019 of 2.8%. The rates for 2019-20 are as follows:

Care Item	Proposed Unit Charge
Social (1/2 hour)	£8.17
Social (3/4 hour)	£10.90
Social (1 hour)	£14.14
Unsocial (1/2 hour)	£9.26
Unsocial (3/4 hour)	£12.25
Unsocial (1 hour)	£15.68

2.14 Meals Charges/Other Snacks - Local Authority (LA) Day Centres

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

It is recommended that this rate be is uplifted in line with CPI as at September 2018 of 2.4%. The rates for 2019-20 are as follows:

Meal Charge	£4.15
Meals and other Snacks	£5.15

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

2.15 Voluntary Drivers/Escort Mileage Rates

2.15.1 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.

2.16 Other Local Authority Charges for Review and Assessment of Adult Services

2.16.1 Historically there was an Inter Authority Protocol in place in relation to Inter Authority charges. This hourly charge only applied to those local authorities who are signatories to the protocol.

It is recommended that this rate be increased in line with the council's pay award as at April 2019 of 2.8%.

The hourly rate will be £74.26

2.16.2 These rates are also applicable to Children Services.

3 General Charges and Rates

Consultancy

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

- i) Middle Management (£87.35 per hour);
- ii) Senior Management (£161.93 per hour);
- iii) Director, when undertaking consultancy work (£262.05 per hour).

3.2 These rates are uplifted in line with CPI as at September which is 2.4% for September 2018.

Publications

3.3 In 2017/18 the charge for key publications was uplifted in line with CPI, after having remained at a flat rate of £10 since 2005. The charge for 2018/19 was £13.29.

It is recommended that this rate be is uplifted in line with CPI as at September 2018 of 2.4%.

The rate for 2019-20 will be £13.61.

Home Support Fund

3.4 In some instances (where extreme hardship can be evidenced) extra financial help is available from Kent County Council to top-up the help provided via Disabled Facilities Grants (DFG), administered by the district councils. The DFG is currently subject to a means test. The loan from KCC is interest free but liable to be repaid in full, over a five-year period.

3.5 There is no proposal put forward to change these arrangements for 2019/20.

4 Recommendation

4.1 Recommendation: The Cabinet Member for Adult Social Care and Public Health is asked to:

- a) **APPROVE** the proposed changes to the rates payable and charges levied for adult social care services in 2019-20 as set out in sections 2.5.1, 2.5.2, 2.6.4, 2.8.3, 2.10.2, 2.10.3, 2.12.1, 2.13.1, 2.14.1, 2.16.1, 3.2 and 3.3 of the report; and
- b) **DELEGATE** authority to the Corporate Director for Adult Social Care and Health, or other nominated officer, to undertake the necessary actions to implement the decision.

5. Background Documents

None

6. Lead Officer

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