

Summary Sheet

Council Report Cabinet/Commissioner Decision Making Meeting

Date: 14 March 2016

Title: Non-Residential Care Charges 2016/17

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Graeme Betts – Interim Strategic Director of Adult Services and Housing

Report Author(s)

Mark Scarrott – Finance Manager – Adult Services and Housing

Ward(s) Affected

All

Summary

The Directorate is required to review its fees and charges as part of the annual budget setting process. This report sets out the current charges for non- residential services benchmarked against our local neighbours and sets out a number of proposals for 2016/17.

This report recommends no increase to the charge to service users for the provision of domiciliary care and day care meal and recommends moving towards achieving full cost recovery for day care and transport charges.

Recommendations

That Cabinet/Commissioners:-

- **Receive the information contained in this report.**
- **Approve that there is no increase to the charge for domiciliary care for 2016/17.**
- **That the maximum charge is increased in line with any increase in the fee for Older People Independent Residential Care.**

- That the proposed charges for Day Care and transport are increased on a phased basis towards achieving full cost recovery and service users and carers are consulted on the proposed increase.
- That there is no increase in the charge for day care meals in 2016/17.
- Agree not to charge for Carers services in 2016/17

List of Appendices Included

Yes – Appendix A

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

No

Main Report

Title: Non-Residential Service Charges 2016/17

1. Recommendations

That Cabinet/Commissioners:-

- **Receive the information contained in this report.**
- **Approve that there is no increase to the charge for domiciliary care services for 2016/17.**
- **That the maximum charge is increased in line with any increase in the fee for Older People Independent Residential Care.**
- **That the proposed charges for Day Care and transport are increased on a phased basis towards achieving full cost recovery and service users and carers are consulted on the proposed increase.**
- **That there is no increase in the charge for day care meals in 2016/17.**
- **Agree not to charge for carers services in 2016/17**

2. Background

- 2.1 The Directorate is required to review its fees and charges as part of the annual budget setting process. This report sets out the current charges for non-residential services benchmarked against our local neighbours and sets out a number of proposals for 2016/17.
- 2.2 The Council cannot charge more than the cost of the service including overheads. The current charge for domiciliary care is £15.43 per hour therefore the council can only increase its charge by the current rate of inflation to prevent a breach of its statutory requirement not to charge more than the cost of providing the service. In previous years the increase in charges has been aligned to the increase in Consumer Price Index (CPI), which at September 2015 was -0.1%.
- 2.3 Currently charges for day care, day care meal and the provision of transport are subsidised and therefore do not recover the cost of providing the services. Any proposals to increase the charges above inflation will require consultation with service users and carers.

3. Key Issues

- 3.1 The council has discretionary power to charge for non-residential services. It has to set a maximum amount and then carry out a financial assessment to determine people's ability to pay. The financial assessment applies to people with savings of less than £23,250. Generally this relates to people who are in receipt of welfare benefits. The amount they will be assessed to pay will increase in line with increases in benefits. People who have more than this £23,250 have to pay the cost of their care up to the Council's maximum charge, currently £401 per week. There are currently only 3 service users who pay the full charge for non-residential services.
- 3.2 Table 1 in Appendix A shows the percentage of people receiving a free service or paying a low weekly charge. In Rotherham around 75% pay less than £25 per week.

4. Options considered and recommended proposal

4.1 Domiciliary Care

The Council has recently retendered the Domiciliary Care Service with effect from April 2015. The number of service providers was reduced from 14 to 8. The annual fee uplift for domiciliary care service providers for 2016/17 is currently being considered separately.

The current charge is £15.43 per hour which represents the full cost of providing the service and therefore the maximum that can be charged. Therefore, it is proposed not to increase the charge for domiciliary care services for 2016/17.

From April 2014 Members agreed to set the maximum charge for non-residential care at the same level as the weekly charge for elderly residential care, which for Rotherham is currently £401. The proposal is to increase this maximum charge in line any proposed increase to the fee for Older People Independent Residential Care.

4.2 Day Care

The review of the provision of day care is part of the Adults development programme which aims to modernise existing services, invest in community assets and achieve better outcomes for service users in line with the recommendations contained within the Care Act. Day care charges have in previous years been increased in line with inflation. The current charge for a session is £4.47. However, this charge does not reflect the cost of providing the service which ranges from £50 to £60 depending on client group. This is also reflected when benchmarked with our neighbouring authorities where charges range from £28 to £40. Service users who receive a day care service are subject to a financial assessment and currently 58% do not contribute towards the cost of the service.

It is recommended subject to consultation with service users and carers that charges are increased over a phased period to move closer to achieving full cost recovery.

It is proposed to increase the charge to £15 per session from 1 October 2016 and £30 per session from 1 October 2017 with a further review of charges in 2018/19. Table 1 in Appendix A shows the impact on current service users of the proposed increases.

4.3 **Day Care Meal**

The current charge for a meal at a day centre is £4.70. Members agreed not to increase the charge in 2015/16 and when benchmarked with our nearest neighbours the charge is relatively high. However, income from the charge does not cover the full cost of the service. Approximately 350 meals are currently provided per week in older people's day centres.

It is recommended that the charge is not increased in 2016/17 as the charge is already relatively high compared with other authorities and any increase could result in a reduction in take up. This is a flat rate charge and service users are not subject to a financial assessment.

4.4 **Transport to Day Centres**

A major review of the charges for the provision of transport to day centres was undertaken in July 2012 as part of the review of day care services. After consultation with users of the services it was agreed at the Cabinet Member for Adult Social Care meeting on 25 February 2013 (minute number H72 2(f)) that charges would increase from £1 to £2.50 per return journey from April 2013 increasing to £3.50 in 2015/16. However, this charge does not recover the cost of providing the service. The latest benchmarking data within the Yorkshire and Humberside region shows a range of charges from £1 per return journey to £6.00. This is a flat rate charge and service users are not subject to a financial assessment, any increase in charge would require consultation with service users and carers.

It is proposed that the charge is increased on a phased basis to £5 per return journey from 1 October 2016 and to £10 per return journey from 1 October 2017 subject to consultation with service users and carers and a further review undertaken in respect of charges in 2018/19.

4.5 **Charging for Carers Services**

The Care Act gives Council's the discretion to charge for carers who require a service after undergoing a carer's assessment. It is recommended not to charge for these services as carers provide an invaluable contribution to supporting vulnerable people in the community and help prevent additional demand on existing services. This will be reflected in the Adult Services Fairer Charging Policy.

5. Consultation

- 5.1 No consultation is required where charges remain the same or are reduced. However, proposals within the report recommend increasing some charges over a phased period towards achieving full cost recovery and therefore consultation will be required with service users and carers for these charges.

6. Timetable and Accountability for Implementing this Decision

- 6.1 The final recommendations will depend on the outcome of the consultation with service users and carers. Any agreed increases in charges would be effective from 1 October 2016 and 1 October 2017.

7. Financial and Procurement Implications

- 7.1 The Directorate is required to review its fees and charges as part of the annual budget setting process. In previous years changes have been aligned with the CPI as at September which was -0.1%. A number of non-residential care charges do not recover the full cost. By increasing charges on a phased basis will remove the subsidy on the provision of services, however, the viability of the service will also need reviewing if a large number of services users who choose to opt out of the service. This will be addressed as part of the Adult Services Development programme.

8. Legal Implications

- 8.1 There are no legal implications.

9. Human Resources Implications

- 9.1 This report has no direct implications for human resources for Rotherham MBC.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 There are no implications for children and young people as a result of the recommendation made in this report.

11 Equalities and Human Rights Implications

- 11.1 The recommendations in this report if accepted contribute to supporting vulnerable adults and the provision of high quality care.

12. Implications for Partners and Other Directorates

12.1 There are no implications for partners or other directorates.

13. Risks and Mitigation

13.1 The risks and uncertainties will be proportionate to the level of increase in charge and potential reduction in numbers of service users where the charge is not subject to a financial assessment where service users are required to pay the full charge.

14. Accountable Officer(s)

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services:-

Director of Legal Services:- Linton Steele

Head of Procurement (if appropriate):- N/A

This report is published on the Council's website or can be found at:-

<http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories=>

Appendix 1: Impact on existing service users

Table 1	Current Clients within each charge band		Impact of Day Care Charge to £15		Impact of Day Care charge to £30	
Charge Band	Current %	Client Numbers	Current %	Client Numbers	Current %	Client Numbers
£200 +	1.36	40	1.39	41	1.39	41
£150 – £199	1.29	38	1.25	37	1.32	39
£100 - £149	2.68	79	2.72	80	2.68	79
£50 - £99	9.82	289	9.82	289	10.70	315
£25 - £49	9.78	288	11.07	326	11.48	338
£10 - £24	9.34	275	10.36	305	9.04	266
< £10	7.81	230	5.47	161	5.47	161
Nil	57.92	1705	57.92	1705	57.92	1705
Total	100.00	2944	100.00	2944	100.00	2944