

**Committee Name and Date of Committee Meeting**

Cabinet – 15 December 2025

**Report Title**

Adult Social Care Charging Policy

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

Yes

**Strategic Director Approving Submission of the Report**

Ian Spicer, Strategic Director of Adult Care, Housing and Public Health

**Report Author(s)**

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**Ward(s) Affected**

Borough-Wide

**Report Summary**

This report sets out the basis for the proposal to amend the Council's charging policy and provides an update on the Adult Social Care Charging Policy consultation which sought views on a new combined charging policy for residential and non-residential care.

The report outlines the outcomes of the consultation, recommends specific areas for inclusion within the new consolidated charging policy and seeks approval from Cabinet to implement the new Policy from 1 April 2026.

**Recommendations**

That Cabinet:

1. Note the outcome of the consultation.
2. Approve implementation of the Adult Social Care – Charging for Care and Support Policy (Appendix 2) from 1 April 2026

3. Retain a maximum charge for non-residential care, but align it with the standard charge for nursing with dementia support, for those who fund their own care.
4. Introduce a one-off administrative fee for arranging care on behalf of people who fund their own care.

### **List of Appendices Included**

- Appendix 1 Thematic Analysis of consultation outcomes
- Appendix 2 Adult Social Care – Charging for Care and Support Policy
- Appendix 3 Part A – Initial Equality Screening Assessment
- Appendix 4 Part B – Equality Analysis Form
- Appendix 5 Climate Impact Assessment

### **Background Papers**

[Cabinet Report - Review of the Non-Residential Charging Policy - May 2025](#)

### **Consideration by any other Council Committee, Scrutiny or Advisory Panel**

None

### **Council Approval Required**

No

### **Exempt from the Press and Public**

No

## **Adult Social Care Charging Policy**

### **1. Background**

- 1.1 The Council has a duty to provide or arrange services that help to prevent or delay people from developing eligible needs for care and support, as defined in the Care Act 2014 which focuses on improving people's independence and wellbeing.
- 1.2 The Care Act 2014 requires that where an individual is provided with residential/nursing care services to meet their eligible needs, a financial assessment must be undertaken to determine whether they have sufficient resources to pay part or all of the cost of the care or require financial assistance from the local authority. The local authority is required to follow a set process in determining the level of financial contribution which should be made.
- 1.3 Where care is provided in the community, the local authority has a discretion whether to charge or not for that service. Where a local authority decides that a charge will be made, depending on the income of the individual, a standardised set process may be used in which the local authority can decide whether certain sources of income will, or will not, be considered.
- 1.4 The guidance states that Councils may make a charge to cover costs incurred in meeting the needs of the person to which the charge applies. A financial assessment is required to determine an individual's ability to contribute to their care costs, ensuring that any contribution is affordable.
- 1.5 A person who receives care and support in their own home will need to pay their daily living costs including rent, food and utilities, and therefore must have enough money to meet these costs. The charge must not reduce a person's income below a certain amount. This amount is known as a Minimum Income Guarantee (MIG). MIG rates are set each year by the Department of Health and Social Care, are reviewed annually and adjusted for inflation. The MIG amount depends on a person's age, marital status, disability status and whether they have dependent children.
- 1.6 The Budget and Financial Strategy for 2025/26 was approved at Council on the 5 March 2025. It included as part of the revenue savings proposals, a review of the current Non-Residential Charging Policy for Adult Social Care. The review has led to a recommendation to combine the Non-Residential Charging Policy with the Residential Charging Framework into one overarching Adult Social Care Charging Policy. This will enable greater transparency and align with expectations within the Care Act 2014.
- 1.7 In addition, Cabinet agreed to a consultation being carried out on two proposals that could potentially be introduced as part of the new policy in May 2025. These were:
  1. The removal of the maximum charge for non-residential care, while maintaining the minimum charge of £1, for people who fund their own care.

2. The introduction of an administrative charge for organising care for people who fund their own care.
- 1.8 Subsequent sections of this report document the outcome of the consultation and outline proposed amendments to the Council's current charging regime for consideration and approval.

## **2. Key Issues**

- 2.1 Where the Council charges for non-residential services, it has a duty to do so in a fair and transparent way. The Council's resources are finite, it is increasingly under significant financial pressure, and it is therefore important those resources are used in a way that meets the needs of all its citizens in an equitable way.
- 2.2 The Council currently caps the amount that people who receive care in the community pay towards their care with a Maximum Charge. This is set at the level of the cost of a standard residential placement which is currently £689.00 per week. However, the cost of meeting someone's eligible care and support needs in the individual's home may be significantly higher than this cap. By comparison, people who receive residential services are charged the full amount they are assessed as being able to afford, up to the full cost of the care they receive.
- 2.3 The way in which the Council delivers and charges for non-residential services currently results in the provision of what is in effect a partial subsidy for some residents who have the financial means to pay the full economic cost.
- 2.4 This also means that there is less money available within the service to meet other potential demand. It is therefore important that the Council finds a way to manage its limited resources that is equitable to everyone in receipt of care and support services, as well as those who may require support in the future.
- 2.5 It is incumbent upon the Council to ensure that all members of the community who have been assessed as requiring care and support receive appropriate services and that there are sufficient resources available to achieve this.
- 2.6 The Council is currently exercising its discretion to charge for services at a rate which is lower than the real cost of delivery and recognises that care and support plans are, in part, being subsidised.
- 2.7 Some residents have the economic resources to meet the full cost of the care they receive. Those on a lower income would continue to receive the same service with no change to their charges. Such subsidies have an impact on the delivery and development of other services given the finite nature of the budget.
- 2.8 All local authorities must be mindful of the impact that a potential reduction in this subsidy has on people who need services; they must decide whether a path can be found to ensure the effective delivery of future services against the potential financial impact on those who currently receive support.

## 2.9 Consultation Outcome

2.10 The consultation was undertaken on the two proposals of:

1. The removal of the maximum charge for non-residential care, while maintaining the minimum charge of £1, for people who fund their own care.
2. The introduction of an administrative charge for organising care for people who fund their own care.

2.11 A consultation took place from 24 May 2025 to 16 October 2025 to seek the views of Rotherham residents on proposed changes to its Non-Residential Adult Social Care Charging Policy. The proposals included removing the current maximum weekly charge of £689 and introducing a £350 annual administrative fee for arranging care for self-funders. These changes aim to make charging fairer and help the Council manage budget pressures.

2.12 The consultation invited Rotherham residents to share their views on the two main proposals. For each proposal, respondents could indicate whether they strongly agree, agree, not sure, disagree, or strongly disagree. In addition, the consultation gathered Equality and Diversity information to understand the views of different groups.

2.13 Questions covered areas such as gender identity, transgender status, sexual orientation, marital status, pregnancy and recent childbirth, disability and specific conditions, ethnicity, religion, refugee or asylum seeker status, and caring responsibilities. Participants were also asked if they wished to provide their date of birth. These questions were designed to ensure compliance with the Council's equalities duties and to help the Council assess the impact of the proposed changes on different communities.

2.14 The subsequent sections of this report present the outcomes of the consultation against each of the two proposals.

2.15 The full consultation analysis can be found at Appendix 1 .

### 2.16 *Proposal 1 – Removal of the maximum weekly charge*

Proposal 1	Total number of responses	% responses
Strongly Agree	2	2%
Agree	11	11%
Not Sure	7	7%
Disagree	29	31%
Strongly Disagree	48	49%
<b>Total</b>	<b>97</b>	<b>100%</b>

2.17 For Proposal 1 'Removal of the maximum weekly charge', a total of 97 responses were received. The majority of respondents opposed the change,

with 49% strongly disagreeing and 31% disagreeing. A smaller proportion supported the proposal, with 11% agreeing and only 2% strongly agreeing. Additionally, 7% were unsure about the proposal.

- 2.18 Feedback highlighted concerns about fairness, affordability, and the impact on those with high care needs. Many felt the proposal penalises people who have saved and planned for their future, discourages saving, and could lead to financial hardship. Suggestions included retaining a cap with inflation adjustments or introducing a sliding scale.
- 2.19 Other themes included doubts about service value, disproportionate effects on vulnerable groups, and distrust of Council motives, with calls for greater transparency. Overall, respondents strongly resisted removing the cap, favouring alternatives that balance sustainability with fairness.

**2.20 *Proposal 2 – Annual fee for Self-Funders where the Council facilitates the care package***

<b>Proposal 2</b>	<b>Total number of responses</b>	<b>% responses</b>
Strongly Agree	2	2%
Agree	14	14%
Not Sure	2	2%
Disagree	25	26%
Strongly Disagree	54	56%
<b>Total</b>	<b>97</b>	<b>100%</b>

- 2.21 For Proposal 2 'Introducing an annual fee for self-funders where the Council facilitates the care package', there was a total of 97 responses. The majority of respondents opposed the proposal, with 56% strongly disagreeing and 26% disagreeing, indicating significant resistance to the introduction of this charge. Only a small proportion supported the change, with 14% agreeing and 2% strongly agreeing, while 2% were unsure. Overall, feedback shows strong opposition to adding an administrative fee for self-funders.
- 2.22 Respondents strongly opposed the fee, viewing it as unfair for those who have saved and already pay full care costs. Many felt it would discourage saving and create financial hardship, especially as care costs are already rising. Concerns included the risk of pushing people below savings thresholds, leading to reliance on public funding.
- 2.23 Several respondents questioned the value and justification of the fee, with calls for transparency and suggestions for alternatives such as a one-off charge or fees only when care packages change. Respondents also highlighted disproportionate impacts on older adults and vulnerable groups, and expressed distrust of Council motives, seeing the proposal as revenue driven.

- 2.24 Overall, feedback indicates strong resistance to the proposal, with a preference for fairer, more transparent approaches like means-tested fees or one-off charges.

### 3. Options considered and recommended proposal

#### Options relating to the maximum charge

- 3.1 **Option One:** Retain the maximum charge on non-residential care in place at the current rate. This would continue the subsidy for better off residents – **Not recommended.**

- 3.2 Option one offers stability and protects vulnerable residents by keeping costs predictable

- 3.3 However, there is a concern about fairness, as the current system continues to subsidise better off residents. It also fails to address rising financial pressures, causing budget strain and service reductions.

- 3.4 **Option Two:** Abolish the maximum charge for non-residential care – **Not recommended.**

- 3.5 Option two offers fairness in that those most able to pay for their own care would contribute as much as they could afford, in the same way as people with fewer resources must. This would be more sustainable for the Council's resources allowing it to support more people in need of care. However, it does risk putting more financial pressure on vulnerable people and in some cases could lead to significantly increased costs.

- 3.6 **Option Three:** Retain the maximum charge but increase the rate so it aligns with the higher rate of a standard dementia nursing placement (rather than a standard residential placement) – **Recommended.**

- 3.7 Option three is recommended because it retains a maximum weekly charge, offering protection for those with the highest care costs while increasing the cap to better reflect the costs of the care being provided. This ensures contributions remain affordable for most people but fairer overall, as more individuals pay closer to the true cost of their care.

- 3.8 All care and support arranged by the Council will require a means-tested financial assessment to determine weekly contributions, ensuring charges never exceed the actual cost of services. The assessment will include a welfare benefits check, with all identified entitlement treated as income.

- 3.9 Consultation feedback strongly supported fairness and equity, with many respondents stating that those who can afford to contribute should do so, while still safeguarding vulnerable residents. Comments such as "Parity across the population needs to be achieved, value for money realised" and "Those who can afford to pay should do so. Morally right to do so" reflect this view.

## Options relating to the administration fee

- 3.10 **Option One:** Do not introduce an administrative charge for self-funders – **Not recommended.**
- 3.11 Option one will not address the costs associated with commissioning care for people who self-fund their care and for who the Council is allowed to charge the reasonable costs incurred.
- 3.12 Consultation feedback also highlighted that those people who could afford to pay these costs should, to ensure finite resources could be more effectively managed.
- 3.13 **Option Two:** Introduce an administrative charge of £350 as a one-off charge to reflect that most of the work involved in arranging care for self-funders would be at the start of the process. This will be a one-off fee, until a person's care changes, requiring a new package of care to be commissioned, at which point they will be charged a further fee – **Recommended.**
- 3.14 Introducing a one-off administrative charge of £350 was seen as reasonable, provided it is transparent and linked to actual work involved. Suggestions included making it a single payment at the start of care rather than an annual fee, which aligns with this option. This option would cover the costs of the set up whilst not being an ongoing financial pressure for those just above the threshold.
- 3.15 **Option Three:** Introduce an administrative charge of £350 per year for arranging care for self-funders – **Not recommended.**
- 3.16 Consultation feedback highlighted that whilst people felt it was fair to charge an administrative fee, this should not be on an annual basis, especially in circumstances where there had been no change to a person's care and support services.

## 4. Consultation on proposal

- 4.1 The consultation ran between 24 July 2025 and 16 October 2025 and was available online and in paper format.
- 4.2 206 people who would be directly affected by the proposals were contacted and provided with details of the consultation, including a paper version of the survey, a reply-paid envelope, and instructions for completing the survey online. It should be noted that there are possibly many other residents who may be affected in the future but are not yet in receipt of services.
- 4.3 The consultation survey did not ask respondents to disclose their financial circumstances or whether they were already in receipt of care. As a result, we are unable to analyse the outcomes from that perspective or determine what proportion of responses came from people who might be adversely affected. The consultation findings reflect the views of those who chose to participate, but without this additional context, we cannot draw conclusions between people

already in receipt of support and about how the wider population might have responded.

4.4 Drop-in sessions were arranged at four strategically placed venues in the borough, to allow people to attend and to capture views from people who may not have seen the consultation.

4.5 97 responses were received to the consultation. A total of 61 people completed the equalities part of the consultation. Most participants were older adults, with birth years largely between the 1920s and 1960s. The group was predominantly female (66%) and White British (84%), with smaller representation from Asian and Black ethnic backgrounds. Religious affiliation was mainly Christian (57%), followed by no religion (20%) and Muslim (11%). Most people identified as heterosexual (79%), and most were widowed (38%) or married (28%).

4.6 A significant proportion reported having a disability (72%), including physical disabilities and long-term health conditions. Representation from younger age groups, ethnic minorities, and LGBTQ+ communities was limited.

## **5. Timetable and Accountability for Implementing this Decision**

5.1 If approved by Cabinet, the Adult Care Charging Policy will be adopted from April 2026.

## **6. Financial and Procurement Advice and Implications**

6.1 There are currently c.200 self-funders who have their care organised by the Council. A £350 charge would generate c.£70,000. Of these, 25 are affected by the maximum charge. This would fall to six people if the maximum charge was raised to the standard rate for nursing care with dementia support, which is currently £837 a week. This would raise up to an additional £85,000 a year for the Council.

6.2 There are no direct procurement implications arising from the recommendations detailed in this report.

## **7. Legal Advice and Implications**

7.1 The local authority is required by the Care Act 2014 to have in place a strategy to prevent or delay the need for care and support arising for the residents of the Borough. Where such needs are identified, the local authority is permitted to make a charge for the provision of services, but the process must be both transparent and fair. The local authority must also ensure that it uses its limited resources in a way that ensures that all identified care and support needs are met. This requires a careful use of its limited resources. By amending its Non-Residential Charging Policy to align more closely with the statutory residential charging scheme, it ensures a greater degree of fairness between the two groups and reduces the subsidy currently provided to those who receive care in the community and have higher financial resources.

- 7.2 The Care Act 2014 permits the local authority to make a charge for arranging care and support for those whose financial resources exceed a certain threshold, as set down by statutory guidance, and would be regarded as self-funding. This charge cannot exceed the cost to the local authority of delivering that service.

## **8. Human Resources Advice and Implications**

- 8.1 There are no Human Resources implications arising from this report.

## **9. Implications for Children and Young People and Vulnerable Adults**

- 9.1 There are no direct implications for Children and Young People arising from this report.
- 9.2 The policy will impact all adults aged 18 and over who access care and support, including those who are vulnerable.
- 9.3 Changes to non-residential charging will be implemented from 1<sup>st</sup> April 2026 and will affect those people who self-fund their own care and support. Details of how this will impact people is detailed in this report.

## **10. Equalities and Human Rights Advice and Implications**

- 10.1 The Equalities Assessment is attached at Appendix 3 and 4 to the report.

## **11. Implications for CO2 Emissions and Climate Change**

- 11.1 The Climate Impact Assessment is attached at Appendix 5 to the report.

## **12. Implications for Partners**

- 12.1 If the recommendations are not adopted, partners could face financial uncertainty, greater pressure to cover service gaps, and administrative complications from alternative charging models. There is also a risk of strained relationships and reputational impact if fairness and sustainability aren't addressed.

## **13. Risks and Mitigation**

- 13.1 Summary of Risks: Adopting the recommendations could lead to affordability concerns for some self-funders, particularly those close to the financial threshold. There is also a risk of negative public perception and complaints if the changes are seen as unfair or unclear. Additionally, implementation challenges such as system updates and staff training may cause delays or confusion.
- 13.2 Summary of Mitigations: These risks can be mitigated through clear communication about the rationale and benefits of the changes, flexible options

for those people struggling financially, and robust operational planning, including staff training and readiness to ensure a smooth implementation.

**14. Accountable Officers**

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Approvals obtained on behalf of Statutory Officers: -

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	John Edwards	27/11/25
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	25/11/25
Assistant Director of Legal Services (Monitoring Officer)	Phil Horsfield	25/11/25

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