

## Summary Sheet

Cabinet and Commissioners' Decision Making Meeting – 14 November 2016

### Title:

Day Care and Transport Charges

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

Yes

### Strategic Director Approving Submission of the Report

Anne Marie Lubanski - Strategic Director of Adult Services and Housing

### Report Author(s)

Mark Scarrott – Finance Manager – Adult Services and Housing

### Ward(s) Affected

All

## Summary

The review of Non-Residential Care Charges 2016/17 report in March 2016, Cabinet agreed to consult with customers and carers on the proposed increase in charges for Day Care and transport. This report provides details of the outcome of the consultation and further consideration on the future charges for Day Care and transport.

## Recommendations

1. That the information contained in this report be received.
2. That the proposed charges for Day Care be increased on a phased basis from £4.47 to £15.00 per session from 1 January 2017, with a further increase to £30.00 per session from 1 October 2017.
3. That the charges for Transport be increased to £5.00 per return journey.

## List of Appendices Included

Appendix A – Outcome from Consultation

Appendix B – Impact on Day Care Customers

## Background Papers

None

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**  
Overview and Scrutiny Management Board – 4 November 2016

**Council Approval Required**  
No

**Exempt from the Press and Public**  
No

## **Title: Day Care and Transport Charges**

### **1. Recommendations**

- 1.1 That the information contained in this report be received.
- 1.2 That the proposed charges for Day Care be increased on a phased basis from £4.47 to £15.00 per session from 1 January 2017, with a further increase to £30.00 per session from 1 October 2017.
- 1.3 That the charges for Transport be increased to £5.00 per return journey.

### **2. Background**

- 2.1 The Council is required to review its fees and charges as part of the annual budget setting process. Currently charges for Day Care 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 require consultation with customers and carers.
- 2.2 A report on the charges for non-residential services was considered by the Commissioner in March 2016 which approved the consultation with customers and carers on a proposed phased increase in the charges for Day Care and the provision of transport to and from a day centre.
- 2.3 There are 373 people who currently use day services across all customer groups. However, currently within this cohort there are 214 who contribute Nil to their support costs and 126 who pay a contribution dependent on the outcome of a financial assessment to determine their ability to pay. There are currently only 33 who pay the full cost for Day Care.
- 2.4 There are currently 225 people who access in-house transport and this includes people who access a taxi through the Adult Care Service. Everyone will pay a flat rate towards their transport costs regardless of their financial assessment (ability to pay).
- 2.5 The current actual cost of a Day Care placement per day ranges from £50.00 to £60 dependent on the customer group and actual service area. It is currently charged at £4.47. The actual cost of providing transport per person is £19.00 per return journey, with a current charge of £3.50, therefore both services are heavily subsidised.
- 2.6 All current customers in receipt of a non-residential service were sent a questionnaire in July to seek their views on the proposed increases in charges. Out of a total of 2930 sent out, 606 responses were received, which represents a 20.7% response rate. A further 34 responses were received directly from day centres and 16 people responded to the consultation on the Council website. The consultation period closed on 28<sup>th</sup> September 2016. A summary of the responses are shown in Appendix A.

### **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 a customer's ability to pay. The financial assessment applies to customers 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. Customers who have more than £23,250 have to pay the cost of their care up to the Council's maximum charge, currently £417.00 per week. There are currently only 2 customers who pay the maximum charge for non-residential services. 56% currently do not contribute to the cost of Day Care provision after being financially assessed.
- 3.2 Table 1 in Appendix B shows the percentage of people receiving a free service or paying a low weekly charge. In Rotherham around 75% currently contribute less than £25.00 per week towards the cost of their Day Care services.

### **4. Options considered and recommended proposal**

#### **4.1 Day Care**

The review of the provision of Day Care services is part of the Adult Care Development Programme which aims to modernise existing services, invest in community assets and achieve better outcomes for customers in line with the recommendations contained within the Care Act 2014. Day Care charges have in previous years been increased in line with inflation. The current charge for a session (per day) is £4.47. However, this charge does not reflect the cost of providing the service which ranges from £50.00 to £60.00 per customer, per session depending on client group. This is also reflected when benchmarked with our neighbouring authorities where charges range from £28.00 to £40.00 per customer, per session. Customers who receive a Day Care service are subject to a financial assessment and currently 56% do not contribute towards the cost of the service (see Appendix B).

Customers and their carers were consulted on the following proposals:

- Increase the current Day Care charge of £4.47 to £15 per session with effect from 1<sup>st</sup> January 2017.
- Further increase the amount the Council charges for attending its Day Care services to £30 per session with effect from 1<sup>st</sup> October 2017.

Nearly 84% of responses either disagreed or strongly disagreed to the proposed increase to £15 per session. This increased to 92% in respect of the proposal to the further increase to £30 per session.

Table 1 in Appendix B shows the impact on current customers of the proposed increases. A total of 33 customers would be affected by an increase in their charge towards their Day Care service.

## **4.2 Transport to Day Centres**

The current charge for transport to and from a day centre is £3.50 per return journey. This is a flat rate charge payable by everyone who uses this service. It is part of everyone's normal living expenses. However, this charge does not recover the cost of the Council providing the service, which is currently £19.00 per return journey. The latest benchmarking data within the Yorkshire and Humberside region shows a range of charges for transport from £1.00 per return journey to £6.00.

Customers and carers were consulted on the following proposals:

- Increase the amount it charges for providing transport to and from Day Care Centres from the current charge of £3.50 to £5.00 per return journey with effect from 1<sup>st</sup> January 2017:
- Increase the amount it charges for providing transport to and from Day Care Centres to £10.00 per return journey with effect from 1<sup>st</sup> October 2017:

Nearly 57% either disagreed or strongly disagreed with the proposed increase from £3.50 to £5.00 per return journey, with 43% in favour of the increase. However, the percentage of customers who disagreed or strongly disagreed increased to 88% in response to the proposed increase to £10.00 per return journey.

## **5. Consultation**

- 5.1 All customers who currently receive a non-residential care service received a postal questionnaire together with a covering letter and pre-paid return envelope. An easy read format was also made available at the Day Centres and the consultation was also available on the Council's website. The consultation was open for a period of 61 days and closed on 28 September 2016. A total of 656 responses were received in total representing an overall response rate of 22%.

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

- 6.1 Any agreed increases in charges would be effective from 1st January 2017 and then from 1st October 2017 for Day Care.
- 6.2 Transport charges will increase from 1<sup>st</sup> January 2017.

## **7. Financial and Procurement Implications**

- 7.1 The Council is required to review fees and charges as part of the annual budget setting process. The current charge for Day Care transport to and from a day centre does not recover the full cost. The actual cost of the in house Day Care services including transport is £4.2m. The total income received from customer's fees and charges for both Day Care and transport is £200,000. By increasing charges on a phased basis for Day Care, the level of subsidy on the provision of services will reduce for those customers with the means to contribute. The impact of any charge increase on the viability of the service will need to be closely monitored and reviewed. This will be considered as part of the Adult Care Development Programme.
- 7.2 The options for Day Care contained within the report are based on a phased increase from 1<sup>st</sup> January and 1<sup>st</sup> October 2017. For transport the increase will be from 1<sup>st</sup> January 2017. If approved, additional income of £24,000 would be received for the remaining three months of 2016/17 from the increase in Day Care and transport charges. In 2017/18 this would increase to £130,000 and further increase to £160,000 from 2018/19 compared to the income from current customers.
- 7.3 However, these figures are based on the current level and financial profile of customers receiving Day Care and transport services and therefore any changes to the delivery of services is likely to impact on the level of income received in future years. The Council will need to review financial planning assumptions and forecasts as the increases are implemented.

## **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 the Council.

## **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. However, it may impact on a small number of adults who will experience an increase in their charges for Day Care and transport as outlined in the body of the report.

## **11 Equalities and Human Rights Implications**

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

An Equality Analysis has been undertaken and attached.

## **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 customers where the charge is not subject to a financial assessment and customers are required to pay the full charge.

### **14. Accountable Officer(s)**

Approvals obtained from:-

Strategic Director of Finance and Customer Services:- Judith Badger

Assistant Director of Legal Services:- Dermot Pearson

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=>

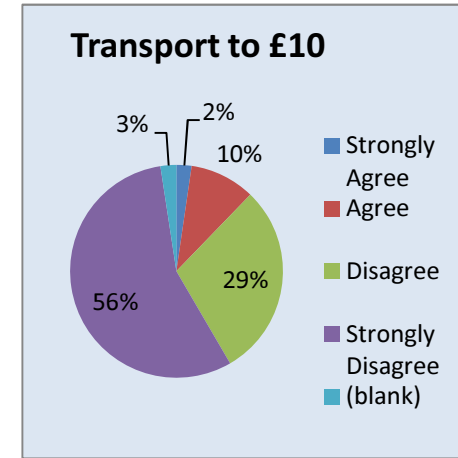
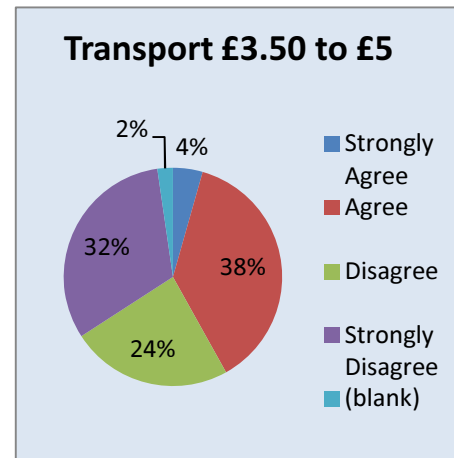
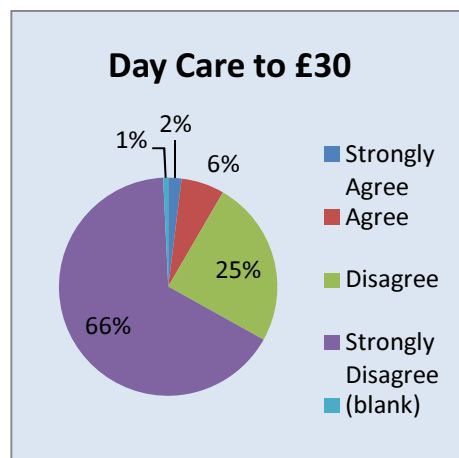
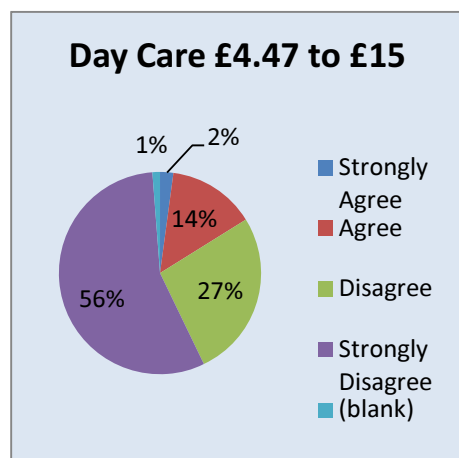
## Appendix A

### ADULT SOCIAL CARE - Consultation on charging for Day Care and Transport

The analysis below is based on the responses received to the Day Care and Transport consultation survey. The findings below summarise the individual responses to the Day Care and transport questions.

#### RESPONSE PER QUESTION

	Strongly Agree	Agree	Disagree	Strongly Disagree	(blank)	Grand Total
Day Care charge increase from £4.47 to £15	14	92	175	367	8	656
Day Care charge increase from £15 to £30	13	42	162	434	5	656
Transport charge increase from £3.50 to £5	29	246	157	209	15	656
Transport charge increase from £5 to £10	15	65	193	367	16	656





## Overall Summary

Questionnaires were posted (with prepaid envelopes) out to a total of 2930 customers. Of these 606 were returned, representing a response of 20.7%.

In addition there were a small number of responses from an Easy Read questionnaire (34) in the day centres and the internet available through the Councils website (16).

In total the 656 combined returns have been included in the report tables and graphs.

The combined response above shows that overall 80% of all respondents do not favour any proposed changes. Only 20% favour the proposed changes.

## Summary Response

Proposed Changes	Against	For	Against %	For %
Day Care increase from £4.47 to £15	542	106	83.6%	16.4%
Day Care increase from £15 to £30	596	55	91.6%	8.4%
Transport charge increase from £3.50 to £5	366	275	57.1%	42.9%
Transport charge increase from £5 to £10	560	80	87.5%	12.5%
	<b>2,064</b>	<b>516</b>	<b>80.0%</b>	<b>20.0%</b>

*Please note the above for against analysis table does not include any blank responses to the questions.*

## DAY CARE AND TRANSPORT CONSULTATION ABOUT YOU ANALYSIS

On the 'About You' section of the survey respondents were asked 'Please tick which of the following options best describes you', hence some replies included multiple answers.

Based on the information below, the replies indicate that 42% (282) of respondents were in receipt of Adult Social Care Services.

This increases to 82.5% (549) when also taking into account the respondents completing the survey on behalf of those in receipt of Adult Social Care.

*The table below includes the multiple answers split into the original options and also below that, the original pivot table extract.*

About You	Count of Number
I am currently in receipt of Adult Social Care Services	282
I am a friend or family member of someone who uses Adult Social Care Services	163
I am a carer for someone who uses Adult Social Care Services	88
I am both a carer for someone who uses Adult Social Care Services and I receive care services myself	4
I am a voluntary organisation or advocate group for Adult Social Care Customers	1
I am a private sector service provider	1
I am a Rotherham Resident	87
I am a court appointed deputy or Power of Attorney for a user of Adult Social Care Services	12
Other	8
(blank)	19
<b>Total</b>	<b>665</b>

## Appendix B

### ROTHERHAM METROPOLITAN BOROUGH COUNCIL

**Table 1: Non Residential Services - Impact on existing customers (updated October 2016)**

<b>Table 1</b>	<b>Current Clients within each charge band</b>		<b>Impact of Day Care Charge to £15</b>		<b>Impact of Day Care charge to £30</b>	
<b>Charge Band</b>	<b>Current %</b>	<b>Client Numbers</b>	<b>Current %</b>	<b>Client Numbers</b>	<b>Current %</b>	<b>Client Numbers</b>
£200 +	1.23	36	1.23	36	1.23	36
£150 – £199	1.23	36	1.23	36	1.23	36
£100 - £149	2.26	66	2.26	66	2.26	66
£50 - £99	10.60	310	10.60	310	10.84	317
£25 - £49	9.50	278	10.08	295	10.18	298
£10 - £24	10.08	295	10.22	299	9.88	289
< £10	8.85	259	8.13	238	8.13	238
Nil	56.25	1646	56.25	1646	56.25	1646
<b>Total</b>	<b>100.00</b>	<b>2926</b>	<b>100.00</b>	<b>2926</b>	<b>100.00</b>	<b>2926</b>