

**NORTH SOMERSET COUNCIL
DECISION**

**DECISION OF: EXECUTIVE MEMBER FOR ADULT SOCIAL SERVICES
WITH ADVICE FROM: DIRECTOR OF PEOPLE AND COMMUNITIES
DIRECTORATE: PEOPLE AND COMMUNITIES**



DECISION NO: PC69 2018/19 SCHEME

SUBJECT: Adult Social Care Fees and Charges Uplift 2019/20

KEY DECISION: YES

BACKGROUND

Fees and charges represent an important source of income, providing finance to assist in achieving the Council's broad objectives. Some of our fees and charges are effectively set by legislation but many are locally determined.

Income derived from charging will be used to offset the costs of providing the service being charged for, including support service costs. In setting an appropriate level of fees and charges, managers also take into account their client groups and corporate objectives.

A corporate increase of 1.25% has been applied across People and Communities budgeted income. The proposed increases in fees and charges are necessary to meet increased costs and budgetary pressures to which the Council is subject and will ensure that the contribution made by fees and charges to the Council's overall income budget is maintained.

The new charges have been set in accordance with the revised principles and guidance in relation to the setting of fees and charges approved by the Executive in February 2016.

Directors are empowered to make decision to increase fess and chares up to and including increases of 5%; Executive Members are empowered to make decisions to increase fees and charges up to and including increases of 10%. This decision sheet incorporates all those increases up to and including 10%.

DECISION

To agree the 2019-20 fees and charges as set out in the report and in Appendix 1 and to agree to remove the current £3.50 de minimis limit per week relating to client charges for domiciliary care and day care.

DETAILS AND REASONS

For adult social care clients, service users are subject to a financial assessment to ensure that the actual charge levied is commensurate with their available resources.

In social care, fee increases are an added risk as the client group are vulnerable and ability to pay or collect is often constrained. The risks associated with the adult social care charges amendments include:

- potential negative impact on the take up of services
- increased risk of non-payment
- increase in bad debt

The proposed fee increases for adult social care are detailed in Appendix 1, with a brief commentary below.

Community Meals

The Council provides a community meals service, the net cost of which is estimated at around £35,000 per annum.

The Medium Term Financial Plan included a strategy to reduce this to zero over a two-year period, commencing 2018/19. This is the second of the two-year increase.

	2018/19 charge	2019/20 charge	2018/19 increase	2018/19 increase %
Hot Meal	£5.00	£5.50	£0.50	10.0%
Afternoon tea service	£3.30	£3.40	£0.10	3.0%

Other Services

The Council currently spends c. 1.8m per annum on day care and £4.2m on home (domiciliary) care. The fee increase proposals are reflective of the increases in costs in the sector.

It is worth noting, in terms of the number of client impacts that

- of the 169 day care clients, the increase in charge will only impact on 53 clients, because of their financial assessments, 30 of whom are self-funders
- of the 703 home care clients, 60 are included in the day care client above and the increase in charge will only impact on a further 148 clients because of their financial assessments, 42 of whom are self-funders.

In addition, it is recommended that the current £3.50 de minimis limit per week relating to client charges for domiciliary care and day care is removed. Originally set due to the associated costs of processing invoices, this can now be removed given that the new Adult Care finance system can be configured to a £0 minimum and a £15 rollover can be applied - an invoice will be raised when the total charge is £15 or above.

Respite

Respite rates are updated in line with benefit entitlements and are based on capital thresholds and personal needs allowances.

OPTIONS CONSIDERED

Given the approach agreed in the Medium Term Plan, no significant alternatives were considered in relation to Community Meals; this proposal is estimated to make the service cost neutral by the end of 2019/20. The other changes are considered appropriate to reflect increasing costs / cost recovery.

FINANCIAL IMPLICATIONS

The Medium Term Financial Plan also includes an increase in budgeted income for 2019/20 across the People and Communities Directorate of £226k, the majority of which relates to Adult Social Care. The proposed revision of fees and charges is designed to meet this income target and reflect increasing costs. There are risks associated with the revised fees as some of the service users who are impacted are the most vulnerable in community. Unrecoverable non-payment would increase the levels of debts held by the Council.

The medium term financial plan also includes an additional income target for community meals of £40k. These changes are designed to achieve this. There is some risk that the increases in prices may reduce demand for the community meals service. A 5% reduction in demand equates to around £2,000 per annum.

LEGAL POWERS AND IMPLICATIONS

Various legal powers allow the Council to make a charge for certain services. Charging decisions are fettered by a complex series of statutes and regulations. Services fall into five main categories for charging purposes. These categories are set out in the table below.

Category	Examples
No charge permitted	Service assessment for community care
Charges or charging scheme set by government – little or no local input	Client contributions for social services residential provision
Charging scheme set locally but must be in accordance with government prescribed principles	Client contributions for social services non-residential provision
Charge set locally, but essentially income cannot exceed the cost of providing a service	Charge for a discretionary service with no other charging rules Charge for a service provided using the general power of competence

CONSULTATION

These proposals were included in the medium term financial plan published in December 2018 and as such has been subject to review, scrutiny and consultation by a wide range of internal and external stakeholders. The uplifts contained here are consistent with the Council's fees and charges policy.

RISK MANAGEMENT

There are risks associated with the revised fees as some of the service users who are impacted are the most vulnerable in community. Unrecoverable non-payment would increase the levels of debts held by the Council.

EQUALITY IMPLICATIONS

Over-arching EIA included within MTFP budget report and specific EIA undertaken for Community Meals. Whilst the increases impact directly on disabled and older adults, this is mitigated by the existence of a financial assessment, which ensures that the actual charge levied is commensurate with their available resources.

CORPORATE IMPLICATIONS

Included as part of the Medium Term Financial Plan.

BACKGROUND PAPERS

Revenue Budget and Medium Term Financial Planning reports - Executive Dec 2018 and February 2019.

Fees and Charges Policy – Executive February 2016.

SIGNATORIES:

DECISION MAKER(S):

Signed: D. Payne.....

Title: Executive Member for Adult Social Services

Date: 5.2.19.....

WITH ADVICE FROM:

Signed: Sheila Smith.....

Title: Director of People and Communities

Date: 5.2.19.....

Footnote: Details of changes made and agreed by the decision taker since publication of the proposed (pre-signed) decision notice, if applicable:

Appendix 1 – Proposed Changes to Fees and Charges

	2018/19	2019/20 Proposed	Increase
Community Meals:-			
- Weekday	£5.00	£5.50	10.0%
- Weekend	£5.00	£5.50	10.0%
- Tea	£3.30	£3.40	3.0%
Day Care (session)	£22.00	£23.00	4.5%
Home Care (hour)	£17.50	£18.40	5.1%
Respite Care (day) [from 8 April 2019]			
- Pensionable age and over	£18.30	£18.90	3.3%
- 25 to pensionable age	£11.65	£11.75	0.9%
- 18 to 24	£9.50	£9.60	1.1%
Deferred Payments			
- Administration fee	£700.00	£715.00	2.1%
- Annual charge	£125.00	£128.00	2.4%

