

# CABINET

4<sup>TH</sup> MARCH 2024

## CHARGING POLICY – SOCIAL CARE CHARGES AMENDMENTS TO CURRENT POLICY

### Purpose:

- To review the current “Charging Policy – Social Care” and consult on the proposed key changes to policy.

### Recommendations / key decisions required:

The key changes being proposed are as follows:

- To introduce an Annual Management fee for Managing Deputyship, Appointeeships, and Protection of Property cases. The administrative burden involved with this work is substantial. These are modest charges, which for Deputyships are set out by the Court of Protection. These fees would at least recover some costs incurred and would be less than that charged by a professional deputy to individuals.

### Potential Financial impact:

Deputyship applications = 15 p.a. @ £745.00

**= £11,175.00 per annum**

Residential Care appointeeships = 183 @ £260.00 p a, but the majority would qualify for disability related expenditure, therefore reducing the additional income to approx.

**= £12,480.00 per annum**

Community appointeeships = 99 @ £260.00 p a. = £25,740.00 (but DRE for some, meaning their contribution would reduce. 88 would pay extra for Appointeeship

**= £22,882.08 per annum**

Protection of Property Cases = 17 p.a. on-going, 6 p.a. new referrals.

On-going cases = charge of £520.00 p.a.

**= £8,840.00 per annum**

New Referrals = charge of £100.00

**= £600 per annum**

**Total = £56,000 per annum**

*Note: Pembrokeshire CC have similar charges and rates for 2023-24*

[Appendix 2 - Fees and Charges - Pembrokeshire County Council](#)

2. To charge Service Users in Care Homes the full charge for Holidays, short stays away from the Care Home. Under the current policy there is no charge for this, but the authority pays the Care Home in full.

**Potential Financial impact:**

Based on approx.10 Service user's, who have regular stays away from the care home.

**Total = £5,000**

3. To charge in full for Hospital admissions or Temporary absences from the Care Home for a maximum period of 4 weeks.

The Authority currently reduces the charge when there is temporary absence to "Pension only rate", which is a loss of revenue to the authority, as we still pay in full for the placement. The authority would look at any additional costs of absence on a case-by-case basis within the parameters of the Financial Assessment.

**Potential Financial impact:**

Based on 150 cases per annum x maximum of 4 weeks x weekly assessed charge, less DWP benefits which is charged under current policy.

**£44,000 per annum**

4. To charge a set admin fee for Self-Funded residents who ask the authority to arrange their Care Home placement on their behalf.

**Potential Financial impact:**

Based on 188 service users (who have liquid capital above capital threshold/not disclosed) and contract via CCC. A one-off admin fee of £520 would give an income of:

= £97,760.00 per annum.

Please note that an admin fee may just reduce numbers of 'Self-funding' placements, and not generate additional income, therefore we have reduced the estimate by 50%.

**= £49,000 per annum**

*Note: Ceredigion CC have charged for in these circumstances for several years:*

Page 12 - [Charging for Residential Care and Support \(ceredigion.gov.uk\)](http://ceredigion.gov.uk)

### 13.1 Administration Charge Self-funders (Permanent Placements Only)

Administration charge (Self-funders)	Charge per annum	£710.00
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**5. To introduce a management fee for formal Deferred Payments, and where charges are held against a property.**

This is not currently in the charging policy, and again would help with cost recovery.

**Potential Financial impact:**

Approx 20 DPA/Legal Charge cases per annum a fee of £200 per case would generate.

**= £4,000 per annum**

*Note: Ceredigion CC have charged for in these circumstances for several years:*

Page 12 - [Charging for Residential Care and Support \(ceredigion.gov.uk\)](http://ceredigion.gov.uk)

### 13.2 Administration Charge Deferred Payments

Administration charge (Deferred Payments)	Charge per annum	£710.00
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**6. To change the basis of the calculation for “Additional Costs” for Out of County Placements. Currently the cost is calculated standard rates of the county that we are placing an individual, we would change that to be the Carmarthenshire’s normal commissioning cost. In the main this would simplify the process, and the authority would not incur costs of placement set by other Local Authorities.**

**Potential Financial impact:**

Based on 64 cases per annum, difference between CCC’s standard contract rate and the amount charged by the OOC Care homes. This change will ensure the authority is more consistent, and again may reduce demand for Care Home placements, and not increase income. This is likely to drive cost avoidance, rather than increase income.

**= £100,000 per annum\* (Note 1)**

**7. To amend the policy to include the Night-Time component of Attendance Allowance (AA) or Disability Living Allowance (DLA) or Personal Independence**

**Payment (PIP) into the Financial Assessment, as this is currently disregarded for Non-Residential services overnight in Carmarthenshire.**

The significant service area affected is Supported Accommodation. Carmarthenshire are currently not in line with other authorities on this element of the policy, and we would look at a transitional change to mitigate hardship to any individual. The local authority will continue to allow Disability Related Expenditure (DRE) disregard at 25% and look at individuals on a case by cases basis.

**Potential Financial impact:**

Supported Accommodation: Based on the current sample of service users, and their Financial Assessments we anticipate that 30% of Supported Accommodation service users could pay more.

= **£100,000** per annum

Shared Lives: Based on the current sample of service users, and their Financial Assessments we anticipate that 30% of Shared Lives service users could pay more.

= **£12,000** per annum

**Note 1: \*£100,000 is cost avoidance, rather than additional income.**

**Reasons:**

To recover the income that Carmarthenshire County Council is allowed to collect from the care services we provide. The charges being levied will only be based on the Financial Assessment rules, and what individuals can afford to pay.

The changes above will impact on individuals who can afford to pay in line with the Part 4 and Part 5 of the Social Services and Well-being (Wales) Act 2014.

The changes will align the department more closely with the corporate income and charging policy.

Cabinet Decision Required                      YES - 4<sup>th</sup> March, 2024

Council Decision Required                      NO

**CABINET MEMBER PORTFOLIO HOLDER:-**  
Cllr. J. Tremlett, Cabinet Member for Health & Social Services

Directorate: Communities: Name of Head of Service: Chris Harrison Report Author: Rhys Page	Designations:  Head of Strategic Joint Commissioning  Senior Business Support Manager	Email addresses:  <a href="mailto:chris.harrison@pembrokeshire.gov.uk">chris.harrison@pembrokeshire.gov.uk</a>  <a href="mailto:RJPage@carmarthenshire.gov.uk">RJPage@carmarthenshire.gov.uk</a>
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**EXECUTIVE SUMMARY**  
**CABINET**  
**4<sup>TH</sup> MARCH 2024**

**CHARGING POLICY - SOCIAL CARE CHARGES**  
**AMENDMENTS TO CURRENT POLICY**

**1. Introduction**

The current charging policy was last updated in April 2019; therefore, it is now timely to review the policy, and consider any changes that are needed. Therefore, based on a high-level review within the operational team, and in consultation with other officers, several changes have been identified, and due to the nature of these changes it will require the authority to formally consult on the proposed key changes within the policy.

This paper sets out the suggested proposed revisions and seeks authority to consult on the amendments to the policy.

**2. Main Body of the report**

The department has been actively looking at various options to try and close the gap in funding that the department has due to the reduction in funding from Welsh Government from the Workforce Grant (£600k), and a real terms reduction to the department funding due to the challenges from the growth in activity for 2024-25.

One of the options considered; is to increase income recovery within Social Care. Therefore, the Business Support team has been reviewing the current charging policy to support with the recovery of costs and trying to support the department to balance the Social Care budget in Carmarthenshire.

The division currently collects income from more than 1000 residential placements, and over 2600 non-residential packages. The charging policy was originally consulted on in detail back in 2014, when there were several changes made. More recently the policy was reviewed again in 2019.

Therefore, it is timely that the Charging Policy is reviewed post pandemic, as it has been operating in the same way for the last 4 years. The team have looked at the Social Services and Well-being (Wales) Act 2014, and consulted with other local authorities in identifying changes that the department would need to make to improve the administration of charging within Social Care, and identifying areas where the authority can increase cost recovery.

The department is focused on working towards full cost recovery where possible in line with the Corporate Income and Charging Policy. There are limits to this in Social Care based on the legislative rules, and maximum charges set by Welsh Government.

Under the "Social Services and Well-being (Wales) Act 2014" (The Act) which came into force on 6 April 2016, there is comprehensive rules on how Local Authorities must operate a charging policy for Care charges, and there is a cap on charging for non-residential services. This cap has remained at £100 a week for several years. There is no such cap in place for Care Home charges, residents will pay the full cost of the placement if they have sufficient means to do so.

The high-level review of the current policy identified that the Communities Department is not charging in some areas and should look to align itself with other Local Authorities by making some changes to the policy. All suggested changes are permissible within the Act, but not currently stipulated within Carmarthenshire's Policy.

Therefore, the department has set out the key areas of change above but will also take the opportunity to make other small amendments and add clarification to other parts of the document as required.

The changes above will impact on a small proportion of service users; therefore, we will consult on the revised document when it is agreed. We therefore seek permission to consult on the Key changes with all stakeholders.

If accepted, the department would suggest that the next steps would be:

- Cabinet: 4<sup>th</sup> March
- Full Council: 8<sup>th</sup> May 2024

**DETAILED REPORT ATTACHED?**

**NO – Attached –  
Carmarthenshire County Council Charging Policy  
for Social Care Services (April 2019)**

# IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: **Chris Harrison** **Head of Strategic Joint Commissioning**

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets	Bio-diversity & Climate Change
<b>NONE</b>	<b>YES</b>	<b>YES</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>

## 2. Legal

The changes being suggested are all in accordance with the Part 4 and Part 5 of the Social Services and Well-being (Wales) Act 2014.

## 3. Finance

There is no cost implication to the department as the proposed policy revisions would be accommodated within the existing infrastructure of support. The increased revenue from charging cannot be accurately modelled due to several unknown impacts from the changes to the policy. The authority is likely to see a reduction of Self-Funded individuals asking the authority to place Care Home contracts on their behalf, therefore it is anticipated that this would be cost avoidance rather than income. (Approx. £100,000 per annum)

The estimated additional income per annum from the proposed changes is:

**£270,000 per annum.**





<p><b>CABINET MEMBER PORTFOLIO HOLDER(S) AWARE/CONSULTED</b></p> <p>YES – Meeting held with Cllr. Tremlett on the 26<sup>th</sup> January, 2024.</p>	<p><b>Include any observations here:</b></p> <p>The proposals have been discussed. Cllr. Tremlett understood the financial pressures and was supportive of putting forward the suggested changes.</p>
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**Section 100D Local Government Act, 1972 – Access to Information**  
**List of Background Papers used in the preparation of this report:**  
**THESE ARE DETAILED BELOW**

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Social Services and Well-being (Wales) Act 2014 Part 4 and 5 Code of Practice (Charging and Financial Assessment)		<a href="http://gov.wales">Social Services and Well-being (Wales) Act 2014 (gov.wales)</a>
Charging Policy 2019		Attached