



SOCIAL SERVICES SCRUTINY COMMITTEE – 23RD NOVEMBER 2021

**SUBJECT: FINAL REPORT FROM THE TASK AND FINISH GROUP ON
NON-RESIDENTIAL CARE CHARGES**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND
CORPORATE SERVICES**

1. PURPOSE OF REPORT

- 1.1 This report seeks to inform Members of the Social Services Scrutiny Committee of the findings of the task and finish group that was established to review charges for non-residential care set by Caerphilly County Borough Council. Committee Members are asked to consider the recommendations of the review group and then determine their recommendations to the Cabinet.

2. SUMMARY

- 2.1 This report outlines the findings and recommendations of the task and finish group established to review charges for non-residential care set by Caerphilly County Borough Council. It charts the process that led to the group concluding that charges within the County Borough should be closer to the Welsh median rather than one of the lowest in Wales. According to a 2020/21 survey the hourly charge for home care in Caerphilly was rated 16th in terms of cost out of 18 Welsh Local Authorities surveyed, and the rate for day care was rated 17th out of the 18 councils who responded to the survey.
- 2.2 The report will also highlight how there is a statutory cap on the rates that Welsh Local Authorities can charge for the provision of non-residential care. The current cap ensures that nobody in Wales pays more than £100 per week.

3. RECOMMENDATIONS

- 3.1 Following their review, the Task and Finish Group on Charging for Non-Residential Social Care concluded that future charges within the County Borough should be set around the Welsh mid-point for rates rather than the current position which is one of the lowest in Wales. The principal issue is how quickly the rates reach the Welsh median. Therefore, Members of the Social Services Scrutiny Committee are asked to

endorse **ONE** of the following options **FOR BOTH** the hourly rate for home care and the sessional rate for day care for a five-year period commencing 2022/ 23:

3.2 **Hourly rate for Home Care**

Option 1: That Committee supports an annual increase of 10% for hourly rates until 2024/25 when an annual uplift of 3% should be applied. This would mean that that the hourly rate within the County Borough would reach the Welsh median in 2023/24, assuming an annual inflationary uplift of 2% by the other Welsh Local Authorities surveyed. The hourly rate for 2023/24 would be £18.55. In 2026/27 the hourly rate would be £20.26.

Option 2: That Committee supports an annual increase of 6% for hourly rates. This would mean that that the hourly rate within the County Borough would reach the Welsh median in 2025/26, assuming an annual inflationary uplift of 2% by the other Welsh Local Authorities surveyed. The hourly rate for 2025/26 would be £19.35. In 2026/27 the hourly rate would be £20.51.

3.3 **Sessional rate for Day Care**

Option 1: That Committee supports an annual increase of 10% for sessional rates. This would mean that that the sessional rate within the County Borough would not reach the Welsh median but would rise out of the lower quartile of rates for Wales in 2025/26, assuming an annual inflationary uplift of 2% by the other Welsh Local Authorities surveyed. The sessional rate for 2025/26 would be £16.97. In 2026/27 the sessional rate would be £18.66.

Option 2: That Committee supports an annual increase of 20% for sessional rates. This would mean that that the sessional rate within the County Borough would not reach the Welsh median but would rise out of the lower quartile of rates for Wales in 2023/24, assuming an annual inflationary uplift of 2% by the other Welsh Local Authorities surveyed. The sessional rate for 2023/24 would be £16.70. In 2026/27 the sessional rate would be £28.84.

Option 3: That Committee supports an annual increase of 30% for sessional rates. This would mean that that the sessional rate within the County Borough would reach the Welsh median in 2026/27, assuming an annual inflationary uplift of 2% by the other Welsh Local Authorities surveyed. The sessional rate for 2026/27 would be £43.05.

4. **REASONS FOR THE RECOMMENDATIONS**

- 4.1 These recommendations have been suggested so that rates for non-residential care in the County Borough move closer to the Welsh median rather than remaining as one of the lowest in Wales.

5. **THE REPORT**

- 5.1 Previously a cross party members task and finish group consisting of scrutiny members was established to examine the requirements and impact of charging for non-residential services, the services that had a charge and the application of charges and disregards. The findings of the task and finish group were presented to the Health, Social Care and Wellbeing Scrutiny Committee on 26th March 2013, and

an annual increase of 10% per hour for home care and supported living and an annual increase of 20% per session for day care services was endorsed and recommended to Cabinet. These increases were to be reviewed after 5 years. Following their review task and finish group members expressed surprise that the charges set by the Council were the lowest of its neighbours, in particular the sessional charge for day care attendance of £1.62. This contrasted sharply with the cost of providing day care, which was an average of £ 41 per day in Caerphilly County Borough Councils' own day centres.

- 5.2 On the 5th February 2019 a Non-Residential Social Services Charging report came before the Health, Social Care and Wellbeing Scrutiny Committee. It was endorsed and recommended to Cabinet that the level of charges for non-residential care for 2019/20 and the subsequent financial year continue to increase by 10% per annum for home care and supported living and by 20% per annum for day care services and be subject to review by a Task and Finish Group thereafter.
- 5.3 The terms of reference for this Task and Finish Group are: To consider the level of inflationary uplift and minimum charging levels that should be applied to non-residential care charges in the 2021/22 financial year and in subsequent financial years.
- 5.4 The Task and Finish Group on non-residential care charges met for the first time on 25th September 2019. A second meeting of the Task and Finish Group took place on 7th November 2019. The Task and Finish Group was made up of the following Members;
- Councillor L Binding (until standing down as a Councillor in March 2021)
Councillor A Gair
Councillor V James – Chair
Councillor L Jeremiah
Ms M Jones – Vice Chair
Mr C Luke
- 5.5 At the initial meeting the Interim Financial Services Manager advised the Group that just under £11M of the Adult Services budget came as a result of charging service users in 2018/19. The section of this figure that came as a result of Non-Residential Charging income was £2.865M.
- 5.6 The group were given an introduction to the legal framework for charging which was set out in the Social Services and Wellbeing (Wales) Act 2015 and its supporting Regulations. Section 59 of the Act gives the power to impose charges. The presentation to Members focussed specifically on the Regulations on Financial Assessment and Charging. It was explained that under Care and Support Regulations there was a legal requirement for the Council to disregard the value of the service user's main home when calculating the available income for charging for non-residential care. Earnings from employment and other specified sources of income were also disregarded under the legislation, but certain capital assets could be included to reach the available income for charging figure. It was also pointed out that the current maximum weekly charge for non-residential care and support was £90 per week. This maximum weekly charge has since been increased by Welsh Government to £100 for the current financial year.
- 5.7 Members heard how a buffer is added to the personal allowance and pension premium to calculate the Minimum Income Amount which is an amount disregarded as part of the financial assessment to cover the individual's expenditure such as

utility bills. Officers also advised Members that Caerphilly County Borough Council applies an additional 10% buffer across the board, on top of the statutory figure of 35%, to allow for any additional Disability Related Expenditure and therefore to avoid any dispute. This Minimum Income Amount is disregarded when calculating an available income for charging purposes.

- 5.8 Members were advised that even with the increases of 10% per annum for hourly rates and 20% per annum for sessional charges for the past 6 years, Caerphilly County Borough Council was in the lower quartile of Standard Charges for all Welsh local authorities.
- 5.9 The weekly charge was determined based on the lower of (i) the standard charge, (ii) the maximum weekly charge set by Welsh Government and (iii) available income. The Task Group heard how under this assessment process nobody is expected to pay more than they can afford.
- 5.10 At the first meeting of the Task Group the possibility of having to draft an Interim Report requesting that the current increase be extended for the 2021/22 financial year was discussed by Members. This was due to timescale issues.
- 5.11 The second meeting of the Task and Finish Group on non-residential care charges took place on 7th November 2019.
- 5.12 During a presentation Members were shown a graphic outlining the number of people accessing services charged for on an hourly rate. It was explained to Members that of the 1,167 service users in the County Borough, it was only the 216 people paying full standard charges who would be affected by any future increases in charges for this type of non-residential social care. Therefore, based on figures as at 30th September 2019, the vast majority of care recipients are unaffected by a charge increase.
- 5.13 Members asked about the charging policy for the Telecare Service. The Interim Financial Services Manager advised that there was a charge for this service but that it was not included as part of charges for non-residential social care. Officers outlined that Telecare had now been adopted by the Social Services department, but previously had been administered by Housing Services. Discussion ensued on the possible impact of incorporating Telecare into the package of non-residential social care services. It was generally acknowledged that this would require further consideration and should possibly be considered as part of a future review.
- 5.14 At the second meeting Members agreed to consultation suggestions such as engaging with stakeholders via GAVO (Gwent Association of Voluntary Organisations). Contact was also made directly with associated organisations such as Age Cymru and Disability Rights UK. Subsequently, this consultation process proved challenging due to a lack of engagement from organisations. A Stakeholder Engagement Session scheduled for 27th February 2020 had to be cancelled due to a lack of interest. Planned face-to-face consultation sessions at events organised by Caerphilly People First also had to be cancelled following the national lockdown because of the Covid-19 pandemic in March 2020.
- 5.15 Plans to restart the inquiry with an evidence gathering meeting via Microsoft Teams were made during Autumn, 2020. The Wales School for Social Care Research in Swansea, and Social Care Wales were both approached and a Social Care Management expert from the University of South Wales agreed to speak to the Task and Finish group on 30th November 2020. But this session had to be cancelled due to

a family bereavement. This session was rescheduled for February 2021.

- 5.16 On Tuesday 2nd February 2021 the Social Services Scrutiny Committee endorsed the recommendations of an Interim Report (referred to in 5.10), which requested that Cabinet extended the policy of increasing non-residential charges by 10% per annum for hourly rates and 20% per annum for sessional rates for a further year in to the 2021/22 financial year. The Task and Finish group on Non-Residential Care charges would then make recommendations for Cabinet consideration on the charges from 2022/23 onwards. The Interim Report outlined how disruption caused by the Covid-19 pandemic meant that the Task and Finish group were not in a position to make recommendations on the application of charges for non-residential care for the 2021/22 financial year. The recommendations of this report were approved by Cabinet on Wednesday 24th March 2021.
- 5.17 The third meeting of the Task and Finish Group was an evidence-gathering session and it took place on 15th February 2021. Members heard views from Tony Husein, Head of Contract Services at Age Cymru Gwent and Owain Jones, Course Director of the Health & Social Care Management degree programme at the University of South Wales. The Assistant Director for Adult Services at Caerphilly County Borough Council also spoke to Members at this meeting.
- 5.18 During the meeting in February 2021 it was suggested that a modelling exercise took place to determine how quickly charges within the County Borough could reach the midpoint for rates in Wales.
- 5.19 The fourth meeting of the Task and Finish Group took place on 28th June 2021. Members discussed a synopsis of key emerging themes and the evidence received throughout the review.
- 5.20 At the meeting in June Members also discussed a comparison chart of rates charged by other Welsh Local Authorities and a rate modelling exercise of the councils surveyed up until 2026/27. It was agreed that a report recommending options which would take rates within the County Borough to the Welsh median, be drafted and presented to the Social Services Scrutiny Committee.

5.21 **Conclusion**

A study of charges for non-residential care in Wales reveals that Caerphilly County Borough Council has one of the cheapest national rates for both hourly home care and day care. According to the most recent survey the current hourly charge for home care in Caerphilly is rated 16th in terms of cost out of 18 Welsh Local Authorities surveyed, and the current rate for day care is rated 17th out of the 18 councils who responded to the survey. During the Task and Finish inquiry Members heard how even with the increases of 10% per annum for hourly rates and 20% per annum for sessional charges for the past 6 years, Caerphilly was still in the lower quartile of Standard Charges for all Welsh authorities. Following their review Members concluded that Caerphilly County Borough Council's charging policy for non-residential care should ensure that rates reached the Welsh median at a defined point in the future, whilst maintaining the principle that only those who could afford to pay were charged.

6. ASSUMPTIONS

- 6.1 As it would be impossible to accurately determine future annual uplifts made by other Welsh Local authorities, the recommendations on moving towards a Welsh median are based on assuming an annual inflationary uplift of 2% by the other councils surveyed.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 On completion of the Integrated Impact Assessment (IIA) the conclusion reached is that this proposal has a largely neutral impact on the Protected Characteristics identified under the Equality Act 2010 and those experiencing Socio-economic Disadvantage. Any negative impact is mitigated by a legal framework for charging set out in the Social Services and Wellbeing (Wales) Act 2015 and its supporting Regulations, which help to ensure that only those that can afford it are charged for non-residential care.

[Link to full Integrated Impact Assessment](#)

8. FINANCIAL IMPLICATIONS

8.1 Hourly rate for Home Care

(i) If Option 1 is endorsed the current annual increase for hourly rates (10% per annum) would remain in place until 2024/25 when an annual uplift of 3% would be applied until 2026/27.

(ii) If Option 2 is endorsed an annual uplift of 6% would be applied until 2026/27

8.2 Sessional rate for Day Care

(i) If Option 1 is endorsed an annual increase for day care of 10% would be applied from 2022/23. The annual uplift of 10% would be applied until 2026/27

(ii) If Option 2 is endorsed the current annual increase for day care (20% per annum) would be retained until 2026/27.

(iii) If Option 3 is endorsed an annual increase of 30% would be applied for day care from 2022/23. The annual uplift of 30% would be applied until 2026/27.

9. PERSONNEL IMPLICATIONS

- 9.1 There are no personnel implications with respect to this report.

10. CONSULTATIONS

- 10.1 All responses from the consultations have been incorporated in the report.

11. STATUTORY POWER

- 11.1 The Local Government Act 2000.
Social Care and Well-Being (Wales) Act 2015.

12. URGENCY (CABINET ITEMS ONLY)

- 12.1 Non-urgent but would need to be considered prior to setting the 2022/ 23 rates for non-residential care.

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Appendices:

Appendix 1 – Charging Rates – National Perspective 20-21
Appendix 2 – Modelling to 2026/ 27 – Summary of Options