

**Joint Report of the Cabinet Members for Adults and Vulnerable People
and Services for Children and Young People**

Cabinet – 16 March 2017

ANNUAL REVIEW OF CHARGES (TO APPLY 2017/18) - SOCIAL SERVICES

Purpose:	To review the Charges (Social Services), to establish an annual review and consultation process, and to consider amendments to the list of charges to apply in 2017/18. Details of charges are laid down in the following link: Social Services Charging Policy.
Policy Framework:	Social Services, in accordance with the detailed code of practice and regulations under Parts 4 & 5 of the Social Services and Well-being (Wales) Act 2014 has to publish a single charging policy framework which lists the charges that will apply to Swansea citizens in the year ahead.
Consultation:	Access to Services, Finance, Legal.
Recommendations:	1) That the process of undertaking an annual review of charges for social care is accepted and aligned with the Council's annual budget setting process in future years. 2) That the proposed inflationary uplift to social care charges is applied for 2017/18.
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1. Background

- 1.1 The Social Service and Well-being (Wales) Act 2014 (henceforth "The Act"), which came into effect in April 2016, has set out a statutory requirement for each Local Authority to publish a single Charging Policy for social services.
- 1.2 Among the key drivers behind The Act is to have one set of financial assessment and charging arrangements and to ensure greater transparency within these arrangements. The Act was intended to be 'cost neutral' when implemented, and the codes of practice set out a common national framework, summarised in the document below:

<http://gov.wales/docs/dhss/publications/161106payingforcarepdfen.pdf>

- 1.3 City and County of Swansea's Charging Policy (social services) was approved by Cabinet in April last year. A Social Services Finance and Charging working group, chaired by the Chief Social Services Officer, was set up and tasked with the implementation of the policy. Swansea's policy was aimed at minimising the impact of charging upon care and support recipients with low financial means, while obtaining, where appropriate, a fair and reasonable contribution towards the costs of care and support to ensure its continued provision.
- 1.4 Under the Social Services and Well-being (Wales) Act 2014, a local authority can only charge:
- up to the cost of providing the service
 - what the person can afford to pay for an assessed for service
- 1.5 The 2016/17 annual review of charges has not been completed in sufficient time to allow for consultation on any proposed changes prior to the pre-election period. Therefore this report will be limited to a consideration of the required level of business as usual inflationary increase to charges.

2. Report Summary

- 2.1 The Annual charging policy remains as established in April 2016. The schedule of charges attached to that policy has been updated to include an increase of 2% across all charges to reflect inflationary pressures (see appendix A). The rationale for that 2% increase is set out in the financial implications section of the report.

3. Equality and Engagement Implications

- 3.1 Charging Policy has to be applied equally in that all assessed needs for care and support where they are broadly the same are treated as the same.
- 3.2 An EIA Screening Form has been completed with the agreed outcome that a full EIA report is required for any changes to charges above the business as usual inflationary increase. Full consultation with all individuals affected by such above inflationary increases would be required and would further inform the EIA. No such increase is recommended at this time. The EIA report is attached at appendix B.

4. Financial Implications

- 4.1 Welsh Government has maintained a view that, within local authorities, implementing the Social Services and Well-being (Wales) Act 2014 should be seen as cost neutral. The Act changes the charging arrangements for respite care as the maximum charge (currently £60 per week but rising to £70) now applies, rather than the standard residential care rate charges which were applied in the past. The Act grants further discretionary powers to local authorities, on what services can be charged for and the rates at which these are charged at, provided that these do not exceed the cost of providing the

service.

- 4.2 City and County of Swansea has published a corporate charging policy based on full cost recovery. Welsh Government's maximum charge arrangements significantly limit the Council's ability to pursue a full cost recovery approach to charges for social care services.
- 4.3 By only applying an inflationary uplift to current charges, the Council will be maintaining significantly lower charges for some services than apply across most Welsh local authorities.
- 4.4 Planned changes to the capital cap for residential care will reduce levels of income whereas the increase to maximum weekly charge will increase income. The actual impact will need careful monitoring over the coming year.
- 4.5 In the absence of other sector specific projections, a 2% increase to charges is felt to be broadly in line with the Bank of England's Monetary Policy Committee's expectations for inflation for the short to medium term. This figure is also considered broadly in line with Departmental expectations around our staffing costs for 2017/18.

5. Legal Implications

- 5.1 The new Social Services and Well-being (Wales) Act, associated Regulations and Codes of Practice came into force on 6th April 2016, and they included provisions on financial assessments and charging for social care services. Whilst the Welsh Government retains the power to set caps and thresholds for charges it is necessary for each Local Authority to publish a charging policy and to establish a process to review the list of charges to be applied annually.
- 5.2 Cabinet agreement to a purely inflationary uplift to existing charges would not require consultation beyond that which has already been incorporated into the wider budget consultation process. The introduction of new charges or proposals to significantly increase charges above inflation will require specific consultation.

Background Papers: None

Appendices:

- Appendix A** Updated schedule of charges
- Appendix B** Equalities Impact Report