

SPECIAL ANGUS COUNCIL – 27 FEBRUARY 2025

REVIEW OF ANGUS COUNCIL CHARGES FOR SUPPORT AND CARE SERVICES AND RESIDENTIAL FEES 2025/26

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1. ABSTRACT

This report sets out proposals to revise Support and Care and Residential fees for services provided by Angus Health and Social Care Partnership through Angus Council with effect from 7 April 2025.

2. ALIGNMENT TO THE COUNCIL PLAN AND COUNCIL POLICIES

The proposals in this report contribute to the achievement of the Council's corporate priorities and specific targets and objectives within the Council Plan. The proposals in this report specifically contribute to the following strategic priorities in the Angus Council Plan, 'Angus Council to be efficient and effective'. The proposals also contribute to the achievement of the national health and wellbeing outcomes by ensuring resources are used effectively and efficiently in the provision of health and social care services.

3. RECOMMENDATIONS

It is recommended that Angus Council:

- (i) approves the proposed changes in charges for Support and Care Services as set out at 6.1 and 6.4 with effect from 7 April 2025;
- (ii) notes that a "catch up" uplift may be required for Support and Care Services and in house residential services in 2026/27 if estimates of the inflationary impacts in 2025/26 have been understated;
- (iii) supports the intention to adopt COSLA guidance regarding 'income disregards' for the purposes of assessing client contributions as set out in 6.6;
- (iv) approves in principle the introduction of a proposed maximum capital threshold for the purposes of assessing client contributions as set out at 6.7 and;
- (v) agrees the proposed residential charges for Angus Council owned Care Homes as set out at 6.9.

4. BACKGROUND

The operational delivery of Adult Services is managed by the Angus Health and Social Care Partnership; however, the formal authority to levy charges for social work services resides with Angus Council. Consequently, any proposed changes to charges by the Angus Health and Social Care Partnership (Angus HSCP) must be approved by Angus Council. These recommendations are made considering the Partnership's overall financial position, the prevailing inflationary environment, and general charging policies. Previous recommendations were detailed in report 60/24.

5. CURRENT POSITION

This report recommends the use of a general uplift of 5.5% for 2025/26 owing to the levels of inflation and the increase in employers National Insurance contributions (estimated to be a minimum impact of 2.5%). It is also necessary to apply an additional "catch-up" uplift of 0.8% which relates to 2024/25, which will increase charges in 2025/26. The "catch-up" uplift was a result of higher than anticipated inflationary pressures in 2024/25. It is proposed that the total uplift for 2025/26 will therefore be 6.3%. If, with hindsight, the proposed uplift for 2025/26 of 5.5% is over or under stated to cover the actual inflation pressures in 2025/26, then it is expected that a "catch-up" adjustment will also be applied from year 2026/27 but Council approval for this will be sought in advance.

The overall intention is to set out amendments to charging arrangements to support the ongoing delivery of the current volume of social work adult services, taking into account increased volume and costs, without undue detriment to service users and without destabilising front line services and service uptake. It should be noted that inflation-linked benefits and tax credits will rise by 1.7% from April 2025, in line with the Consumer Prices Index (CPI) rate of inflation in September 2024. The basic and new state pension will be uprated by 4.1% from April 2025.

In terms of managing the implementation of all recommendations, an implementation plan will be managed by Angus HSCP, in conjunction with relevant support services.

6. PROPOSALS

Charges for Angus Council Support and Care Services (Assessed)

6.1 Angus HSCP provides a range of support and care services which are chargeable. These services are charged for in accordance with the Angus Council Contribution Policy and charges are based on each individual's financial assessment. These charges were last revised in report 60/24. For these services it is the intention to use the general uplift of 5.5% noted above. It is also necessary to apply a "catch-up" uplift, therefore the total proposed uplift for 2025/26 will therefore be 6.3%.

6.2 Day Care Charging

As in previous years, it should be noted that charges for day care services provided by independent providers will be uplifted in line with inflation as directed by the Scottish Government and agreed via the Angus HSCP Third Party Meeting. The current charges are noted below for information only with the variation in fees being linked to the varying costs of service provision which will be determined in due course. A review of day care services is currently underway, and the charging arrangements for these services may be reviewed as part of that work.

	Unit	Actual 2023/24 Charge (£)	Actual 2024/25 Charge (£)
Day Care - Forfar	Per placement per day	£43	£48
Day Care - Kirriemuir	Per placement per day	£42	£48
Day Care - Montrose	Per placement per day	£45	£50
Day Care - Brechin	Per placement per day	£50	£57

It should be noted the provision of all Personal Care is free to the service user since the amendments to the Community Care (Personal Care and Nursing Care) (Scotland) Amendment (No. 2) Regulations effective April 2019.

6.3 The effect of uplifts on individual services is shown in Appendix 1. The net financial benefit is estimated at c£21k per annum and is constrained by current contributions policies (i.e. charges are only payable when a service user is assessed as being able to afford to pay charges). It is important to recognise the cumulative effect over a number of years of any failure to inflation link costs.

6.4 Charges for Angus Council Support and Care Services (Flat Rate)

A small number of services are charged at a flat rate (out with the financial assessment). These fees include Community Meals, Community Alarm and Telecare charges.

The charge for Community Meal Lunches has been increased to reflect the current inflation pressures for pay, transport and food. This has resulted in a higher increase of 6.7% which also includes a "catch-up" uplift of 0.8% as noted above.

The charge for Community Meals Evening Meal has been increased to reflect inflation and a retrospective uplift has been applied to ensure the charge is sufficient to cover the actual cost of the meal. Over a number of years the price of food has increased however this has not been reflected in this charge. It is now necessary to ensure the charge covers the actual cost of providing the meal.

The proposed charge for Telecare service is increasing from £1/week to £2/week. There has been no increase to the Telecare service charge since this service was introduced in 2018/19. This increase reflects the increased cost of equipment. The COSLA Non-Residential Charging Survey 2024/25 highlights that many local authorities charge between £1-£7.50 per week for Telecare. A proposal is currently being developed around an equipment loan service for service users to trial the use of low cost, mainstream telecare equipment prior to purchasing. It is proposed that this loan service will be offered in conjunction with the current Telecare service and any further amendments to Telecare charges will be reviewed in 2026/27.

	Unit	Charge 2024-25	Revised Charge 2025-26	Percentage Uplift
Community Meals Lunches	Per Meal	£4.33	£4.62	6.7%
Community Meals Evening Meal	Per Meal	£3.13	£3.80	21.4%
Community Alarms **	Per Week	£5.99	£6.37	6.3%
Telecare per Premises	Per Week	£1.00	£2.00	100.0%

**This charge may increase in future due to additional sim card costs as a result of the move from analogue to digital services.

It has been assessed that the additional cost recovery that will be derived from the above increases is c£99k per annum. These changes in charges will help offset the increased costs associated with service delivery.

6.5 Increases in the Taper applied to Excess Income

Since 2019/20 the taper that applies to excess income has been 75%. It is not proposed to revise this for 2025/26.

6.6 Income Disregards

On an annual basis, COSLA make recommendations regarding income disregard levels. Currently, Angus Council implement the same income disregard level for those above and below state pension age. Approval was given in Angus Council Policy and Resources Committee report 65/23 to update the Capital and Savings thresholds to reflect the COSLA Guidance on charges applied to Social Care Support for people at home. However, due to implementation planning and impact on related financial assessment processes we will be unable to implement this change for April 2025. It is proposed to implement this change once system capability allows. Consultation will take place with any impacted service users in the financial year prior to this change taking place.

	Current Disregard Capital	Current Weekly Tariff Income	Proposed Disregard Capital	Proposed Weekly Tariff Income
Below state pension qualifying age	£10,000	£1 per £500	£6,000	£1 per £250
State pension qualifying age or above	£10,000	£1 per £500	£10,000	£1 per £500

6.7 Maximum Capital Threshold

It is now recommended to also consider the adoption of a maximum capital threshold. The COSLA Non-Residential Charging Survey 2024/25 highlights that 17 Local Authorities in Scotland currently apply a maximum capital threshold varying from £16,000 up to £35,000. Several Local Authorities have adopted the Scottish Government's upper capital threshold, as detailed in the Guidance on Charging for Residential Accommodation for non-residential contribution charges. The current national threshold set in April 2024 is £35,000 however, this may be subject to change when 2025/26 guidance is published. It is proposed that if service users have assessable capital over the Scottish Government's upper capital threshold, they will be subject to meeting the full cost of their chargeable care. Due to system development requirements, implementation planning and impact on related financial assessment processes, it is not possible to implement this currently however a recommendation is included for an agreement in principle to apply a maximum capital threshold with future plans to consult all potentially impacted service users in the financial year prior to the change taking place. It is anticipated that this consultation will take place in 2025/26. Approval for the implementation of a maximum capital threshold would then be sought through Angus Council Policy and Resources committee once consultation and scoping has been completed.

6.8 It should be noted that there are no changes proposed to the policy for undelivered services which was previously agreed in Angus Council Policy and Resources Committee report 51/23, as detailed below.

Extract from Angus Council Contributions Policy:

The pandemic has highlighted that customer services can be interrupted for a variety of reasons and that it is now desirable to clarify and extend existing provisions for charging when interruptions take place. Following a review into the issue of charging for undelivered services and as a result of legal advice received, the following has been agreed. Where a service user's service is undelivered for a period of more than 14 consecutive days, for any reason which is out with the control of the service user, there will be no contribution due until the service resumes, or Angus Council and Angus Health and Social Care Partnership can provide an alternative service to the current service provided, or such as agreed between the Council and Angus HSCP and the service user. If for any reason the service user has caused the reason the service cannot be delivered, then the Council and Partnership will charge for these undelivered services based on the terms set out in the service users Individual Service Contract.

The policy continues to seek to strike balance between reducing the administrative burden of amending contributions for short term changes and preventing the need to increase charges if this policy was not in place as the cost of service delivery would still be incurred.

6.9 Residential Fees

On an annual basis, rates need to be agreed for the weekly cost of mainstream in house residential services. It was previously agreed in Angus Council Policy and Resources Committee report 51/23 to review future charging arrangements for Angus Council run care homes, in order to ensure that weekly fees more closely reflected the full cost of service provision.

During 2023/24 a consultation exercise took place regarding the potential changes. The consultation sought the views of all impacted service users within internal care homes, including respite users who had accessed a service within the last 6 months. The outcome of the consultation showed that service users opted for an incremental increase of their fees over a two-year period, and this was agreed at Angus Council Policy and Resources Committee in report 340/23. The figures provided in report 340/23 included estimates for inflation in 23/24 but did not include projected inflation for 24/25 and 25/26. The current 2024/25 rates and the second phase of the incremental increase to be implemented from April 2025 are noted at Appendix 2. The figures provided in Appendix 2 have evolved since report 340/23 as a result of the inflationary environment. Similarly, pensions and benefits have increased to reflect inflation.

Impacted service users will receive a financial assessment to determine their ongoing ability and requirement to pay the increased charges.

The overall effect of inflationary increases and policy change in mainstream residential contributions is estimated at c£270k per annum, assuming self-funder occupancy remains steady based on previous income levels. This increase reflects the scale of inflationary pressures and policy change at this time.

Step down/Intermediate Care provision is to support discharge from hospital and will continue to be free of charge to service users for up to 6 weeks.

Angus HSCP can, under certain circumstances and where there is difficulty sourcing long-term community services, provide a fully funded temporary care home placement to facilitate discharge from hospital. The Charging for Residential Accommodation Guidance allows for such publicly funded placements to be made irrespective of an individual's financial assessment. Such temporary placements are short term (initially up to 6 weeks but can be extended if required) until permanent care services can be provided.

7. FINANCIAL IMPLICATIONS

The financial impact of the changes are described in the sections above. The overall assumption, reflected in Angus IJB's financial plans, is that from 2025/26 additional charges / income of c£390k should be allowed for. Increased charges are critical to sustaining the delivery of services.

On an annual basis Angus HSCP generates c£11m of cost recovery charges. This reflects charges for both Support and Care and Residential Services. Charges are managed through corporate support arrangements. In any given year there can be an element of charges raised that are not recovered. Unpaid charges are continually reviewed, and recovery is in line with Council procedures. Write-offs are only considered after all means of recovery have been explored. Angus Council and Angus HSCP continue to progress work to improve the overall management of the charging process. The work

continues to be overseen through a multi-disciplinary oversight group with work streams looking at a range of sub-sections of the process.

8. RISK MANAGEMENT

There are risks that the increase or introduction of charges could have a detrimental effect on service uptake. This type of risk is already managed within operational services and the impact of any change would be closely monitored through the Charging Group and Finance income monitoring. This is not included on Angus Council's corporate risk register.

9. ENVIRONMENTAL IMPLICATIONS

There are no direct environmental implications arising from the recommendations of this report.

10. EQUALITY IMPACT ASSESSMENT, HUMAN RIGHTS AND FAIRER SCOTLAND DUTY

An Equality Impact Assessment has been carried out and can be found at this [link](#).

11. CHILDRENS RIGHTS AND WELLBEING IMPACT ASSESSMENT

A Children's Rights and Wellbeing Impact Assessment has been undertaken and a full assessment is not required as the "General Principles" do not apply to this proposal.

12. CONSULTATION

The following officers have been consulted with on this report.

- The Chief Executive
- The Acting Director of Legal, Governance & Change
- The Director of Finance
- The Chief Financial Officer, Angus Health and Social Care Partnership

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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Appendices

Appendix 1 - Revisions to Charges for Support and Care Services

Appendix 2 – Revision to Internal Residential Fees

Appendix 1 – REVISIONS TO CHARGES FOR SUPPORT AND CARE SERVICES

Type of Support	Per (Describe)	Rates 2024-25	Revised Rate 2025-26	% Increase
Support and Care	Hour (1:1 Support)	£30.28	£32.04	5.8%
Older People Daycare (On site, Angus Council)	Per session (5 hours, Group Support)	£71.48	£75.64	5.8%
Older People Daycare (Outreach) (Angus Council)	Hour (1:1 Support)	£30.28	£32.04	5.8%
Older People Daycare - Commissioned Services	Per session (5 hours, Group Support)	as per section 6.1.2		
Resource Centre (Disabilities)	Hour (Group Support, e.g. 1:6)	£6.64	£7.04	6.0%
Resource Centre (Disabilities)	Hour (Close support, e.g. 1:3)	£13.36	£14.12	5.7%
Resource Centre (Disabilities)	Hour (1:1 Support)	£39.96	£42.28	5.8%
Resource Centre (Disabilities)	Hour (2:1 Support)	£80.00	£84.68	5.9%
Resource Centre (Disabilities) (Outreach)	Hour (1:1 Support)	£30.28	£32.04	5.8%

***Due to rounding, some uplifts may vary slightly from the general uplift of 5.8%**

Appendix 2 - REVISION OF CHARGES INTERNAL RESIDENTIAL CARE HOMES

Category of residential care	Homes	2024-25 Rates	Revised Rates 2025-26	% Increase
Mainstream (eg Older People)	Kinloch Care Centre	£ 1,211	£ 1,832	51%
	Seaton Grove	£ 1,012	£ 1,391	37%
Learning Disability	Gables	£ 1,478	£ 2,372	60%