

EXECUTIVE

6 February 2018

Fees and Charges 2018/19

Report of Cllr. Richard Wenham, Deputy Leader and Executive member for Corporate Resources (Cllr. richard.wenham@centralbedfordshire.gov.uk)

Advising Officers: Charles Warboys, Director of Resources & S151 Officer (charles.warboys@centralbedfordshire.gov.uk)

This report relates to a non-Key Decision

This report requests approval of the revised Social Care Health & Housing Fees & Charges prices for 2018/19.

<p>Recommendations:-</p>
<p>The Executive is asked to consider and recommend to Council:-</p>
<p>1. Revised Fees & Charges prices for 2018/19 (Appendix B & C).</p>
<p>2. The new Fees & Charges that are proposed to be introduced for 2018/19 (Appendix D).</p>

Background

1. The Council's Charging Policy states that:
 - All fees and charges will be reviewed annually and adjusted as necessary in line with the Council's charging policy. The Director of Resources will provide Directorates with guidance each year as to the maximum inflation rate that may be applied.
 - All fees and charges should be reviewed on a more fundamental basis at least every 3 years, where it will be necessary to examine all the factors set out in accordance with good practice guidance i.e. the CIPFA Practical Guide for Local Authorities on Income Generation (Fully revised 2015).' This is currently being undertaken on a rolling basis.
2. The Director of Resources has advised that the inflation rate to be applied in line with the Corporate Budget Strategy is 2.9%, which is based on the national inflation rate (RPI) published for September 2017. Where there have been significant variations from this advisory level these have been identified below in paragraphs 4 to 21.

Pricing for 2018/19

3. The review of prices proposed for 2018/19 reflect three pricing options:
 - Prices remain at their 2017/18 level either because they are in line with other providers (Local Authorities) or because there is insufficient data available to support a price change.
 - Prices increased with inflation (2.9%).
 - Prices increased by more than inflation if there is sufficient information to justify an increase.

Social Care

4. Proposed prices for fees and charges related to Social Care are shown at Appendix A.
5. The Blue Badge fee is the only statutory set fee and this remains at £10.
6. The new home care framework has now been awarded. Prices have risen since the last home care framework e.g. impact of the National Living Wage and these are reflected in the new fees and charges. The new fees and charges for home care, supported living and extra care has therefore increased from £17 per hour to £21 per hour. This is the first increase since 2014/15.
7. Hot meals (meal on wheels). As with last year, the approach is to reduce the subsidy that the Council pays on every meal. The proposal is therefore to increase the cost per meal by 50p to £5.00. This reduces the subsidy to approximately 14p per meal. £5.00 is currently what Bedford Borough Council charges for the same service.
8. Residential Homes – weekly price per bed. The suggested approach is to harmonise this rate with the 2018/19 ‘good’ rate that the Council pays to other providers. This rate will be set in March 2018.
9. Cost per social work hour. The proposed increase is 2% to reflect the pay award for 2018/19.
10. A charge of £6.00 for a meals package at Step Up / Step Down establishments is proposed. This service aims to prevent people with reablement potential needing to be admitted to hospital (Step Up), or enabling discharge from hospital prior to returning home (Step Down). The service provides support to customers to help them gain confidence to undertake activities of daily life. Food is an important part of this package as part of the customers’ reablement is to support them to prepare and serve their own meal. The meals package covers a hot or cold breakfast and lunch and a hot evening meal.

Housing

11. Proposed prices for fees and charges related to Housing are shown at Appendix B.
12. The Housing Service undertook a full review of charging during 2013, to determine whether the current level of service charges for communal services recouped the actual cost of providing those services. The review found that in total there was a shortfall of £0.149M annually between what is charged and the cost. From 2014/15 the Council has started to close this gap, limited to a maximum increase of £1.10 per week for each tenant's total communal service charges
13. This protection is limited to existing tenants. The true cost is charged for all new tenancies, including those who are already Council tenants but are transferring to another Council property.
14. This approach succeeded in reducing the shortfall to £0.055M, as at the beginning of the financial year 2016/17. However, as the base data for actual costs related to 2012/13 another full review was undertaken in 2016 to assess the current gap, based on the actual cost for the year 2015/16. This revealed that the gap has dropped to £0.022M, as at the beginning of the financial year 2017/18.
15. It is proposed that this approach continues for 2018/19, so that the current difference between what the Council is paying and the tenant is being charged continues to narrow. However, the policy of limiting the maximum increase to £1.10 per week will continue.
16. The trialling of a new lettings service offer is due to commence in December, to mitigate the forecast increase in temporary accommodation. In this new venture CBC will act not as the landlord but as an agent. Encouraging private landlords to provide properties to support the acute housing need is a critical part to improving options for people in need of housing. The Lettings Service proposed will not charge tenants, and will therefore support people during a vulnerable time.
17. The charges proposed are for landlords to pay, enabling the Council to recover cost and cover administration and overhead. The rent guarantee model is different and looks to build a larger surplus to cover void periods.
18. Parking charges (books and permits) are levied at Priory View for residents and visitors. As these charges are based on those implemented by the parking enforcement teams, which have not increased, there is no cost increase to pass on this year.
19. For several new charges the Council has identified that there is a cost efficiency in enabling a local company to deliver the service using their expertise and economies of scale in the area. The approach also benefits

the Council in saving cost in procuring licences for specialised and regulated areas of work such as financial services.

20. In these instances it is prudent to support local business and allow for a small admin charge to cover costs for the provision of the service, which would be an added benefit for our clients. This would enable an end to end service provision.
21. The Residents Committee fee for using the First floor at Priory View has been reduced to facilitate and support the Residents Committee using the first floor for functions and bookings. The cost covers maintenance, cleaning and residuals for the area. This is a realignment to provide the Residents Committee with a discounted rate from the Friends of Priory View rate.

New fees and charges for 2018/19.

22. New proposed fees and charges for 2018/19 along with a recommended price are shown at Appendix C.

Consultation

23. It is not necessary to consult on Fees & Charges where:
 - the price change is limited to inflationary uplift only, and;
 - there is no change to the service provided nor the type of customers that would access the service (no equality impact).
24. Should the price change (increase) by more than an inflationary increase, the nature of the service change, or the make up of customers that could access the service change then it is recommended that a consultation is undertaken for those particular fees and charges. It is also deemed as good practice to consult if new services are offered.
25. In April 2017, sheltered tenants were consulted on a proposal to replace their weekly Supporting People charge of £20.20 with an Intensive Housing Management Charge of £17.88. (For mini-group sheltered housing the amounts are £7.20 and £5.77 respectively). The Supporting People charge was originally introduced in April 2003, under the Supporting People programme, to fund sheltered scheme management and support to sheltered tenants. Supporting People grant was available to subsidise the charge for tenants that could not afford to self-fund.
26. This grant funding has ceased, and in order to put these services on a firmer financial footing, we have introduced the Intensive Housing Management Charge, which funds Independent Living Officers to manage the schemes and is eligible for Housing Benefit. Intensive Housing Management cannot be used to fund personal support, for which reason we propose to introduce Community Support charges. We were given

delegated authority to apply the Intensive Housing Management charge, based upon feedback from the consultation, from 2 October 2017.

Appendices

Appendix B – Adult Social Care Fees & Charges Schedules 2018/19

Appendix C – Housing Fees & Charges Schedule 2018/19

Appendix D – Proposed New Charges for 2018/19