

<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>Report to:</b>	<b>Executive</b>
<b>Date:</b>	<b>1 March 2021</b>
<b>Subject:</b>	<b>Local Authority Homes for Older People – Setting the Standard Charge</b>
<b>Portfolio Holder(s):</b>	<b>Councillor Llinos Medi Huws</b>
<b>Head of Service:</b>	<b>Iola Richards, Interim Head of Adult Services</b>
<b>Report Author:</b> Tel: E-mail:	<b>Carwyn Edwards, Finance Manager</b> <b>01248 752699</b> <b>CarwynEdwards@ynysmon.gov.uk</b>
<b>Local Members:</b>	<b>All Members</b>

<b>A –Recommendation/s and reason/s</b>
<p>The Local Authority needs to set the level of its Standard Charge for local authority care homes for the year April 2021 – March 2022.</p> <p>Members have determined a general guideline of a <b>3%</b> increase for fees and charges. However, charges in relation to local authority owned residential accommodation can be treated as an exception as it is governed by a statutory provision which sets out how it should be calculated.</p> <p>As in previous years, the cost of all the homes has been pooled to calculate an average standard charge for the homes in accordance with National Guidance.</p> <p>Caution should be taken if the standard charge is compared with that of other authorities since, despite guidance, other authorities may not have calculated the charge on exactly the same basis.</p> <p>For 2020/21, the Standard Charge was calculated at £760.38 per week due to an occupancy rate of 93.44% across the 4 in-house residential homes (excluding Garreglwyd). The Executive made a decision to increase the fees in line with actual cost of provision gradually over a 3 year period. A decision was made to raise the fees for 2020/21 to £722.21 per week.</p> <p>In calculating the Standard Charge for 2021/22, we have again omitted Garreglwyd from the calculation as the Home has been re-modelled and now provides a specialist service. Due to the significant impact of the Covid19 pandemic, the occupancy rate for the remaining 4 Council run homes has been based on the average occupancy over the last 6 months of the 2019/20 financial year, which was 93.25% based on a total of 101 beds.</p> <p>The following table calculates the estimated cost per resident week for the year to 31 March 2022:-</p>

Number of Beds Available	101
Estimated Occupancy Rate	93.25%
Estimated Number of Resident Weeks	4,911

	Running Costs 2021/22	Standard Charge 2021/22	Standard Charge 2020/21	Fee Charged 2020/21
	£	£	£	£
Estimated Running Cost for 2021/22	3,425,113	697.44	679.37	
Add – Depreciation charge	242,933	49.47	41.89	
- Support Services	194,440	39.59	39.12	
	<b>3,862,486</b>	<b>786.50</b>	<b>760.38</b>	<b>722.21</b>
<b>Increase from 2020/21 standard charge</b>	<b>1.033%</b>	<b>£26.12</b>		

Based on the above table, the estimated cost per resident week for the year to 31 March 2022 is £786.50.

The estimated cost per resident week for the year to 31 March 2022 is higher when compared to the estimated cost for the year to 31 March 2021. This is as a result of inflation.

Given that 2021/22 is the final year of the 3 year plan to increase the fees, we are recommending that we charge the full cost of the service, which is £786.50 per week.

#### **B – What other options did you consider and why did you reject them and/or opt for this option?**

The standard fee is that which the Authority is obliged to charge those residents who have the **financial means to pay the full cost** of their residential care. Our planning assumption around our local self-funding population has been reviewed over recent weeks to ensure that it still remains current. As noted in A we have previously considered increasing this charge to the full cost of provision, but have but have rejected it on the basis that this would require a significant and disproportionate increase for residents.

C – Why is this a decision for the Executive?		
Local Authorities are required, under Section 22 of the National Assistance Act 1948, to set the Standard Charge for their homes.		
CH – Is this decision consistent with policy approved by the full Council?		
This decision is consistent with National Policy as outlined in section C above.		
D – Is this decision within the budget approved by the Council?		
Yes		
DD – Who did you consult?		What did they say?
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)	The fee increases were considered and supported by the SLT
2	Finance / Section 151 (mandatory)	Co-author of the report
3	Legal / Monitoring Officer (mandatory)	The Monitoring Officer is a member of the SLT and her comments were considered by the SLT
5	Human Resources (HR)	
6	Property	
7	Information Communication Technology (ICT)	
8	Scrutiny	
9	Local Members	
10	Any external bodies / other/s	
E – Risks and any mitigation (if relevant)		
1	Economic	
2	Anti-poverty	
3	Crime and Disorder	
4	Environmental	
5	Equalities	
6	Outcome Agreements	
7	Other	
F - Appendices:		
FF - Background papers (please contact the author of the Report for any further information):		

