

**ISLE OF ANGLESEY COUNTY COUNCIL**

<b>Report to:</b>	<b>Executive</b>
<b>Date:</b>	<b>18<sup>th</sup> February 2025</b>
<b>Subject:</b>	<b>Independent Sector Care Home Fees for 2025/26</b>
<b>Portfolio Holder(s):</b>	<b>Councillor Alun Roberts</b>
<b>Head of Service / Director:</b>	<b>Arwel Wyn Owen, Head of Adult Services</b>
<b>Report Author:</b>	<b>Carwyn Edwards, Finance Manager</b>
Tel:	01248 752699
E-mail:	CarwynEdwards@ynysmon.llyw.cymru
<b>Local Members:</b>	<b>All Members</b>

**A – Recommendation/s and reason/s**

**Recommendation**

We recommend increasing Residential, Residential EMI, Nursing and Nursing EMI fees by 7.5%. The recommendations are summarised at the end of this section (R1 – R4)

**Background**

From 6 April 2016, the framework for financial assessment and charging is now under the Social Services and Well-Being (Wales) Act 2014. The Local Authority is required to review independent sector care home fees annually, to coincide with Central Government's changes to benefits and pension levels.

In setting fee levels for independent sector care homes, we need to show that we have fully considered the costs of the provision in determining our standard care fees. We have continued to utilise the methodology toolkit as a benchmarking tool for 2025/26 fees. The methodology reflects legislation changes in terms of real living wage, changes in National Insurance legislation and inflation. When reviewing fee levels, consideration is given to local circumstances, demand pressures and availability of provision, in addition to the regional formula.

Following discussions with the Director of Function (Resources) / Section 151 Officer, and in recognition of the financial pressures faced by our providers, we propose to increase our fees by 7.5%, which exceeds the inflationary uplifts calculated using the regional methodology toolkit.

Table 1, below, sets out the fees based on inflationary uplifts, excluding any market supplements, and Table 2 sets out Ynys Môn's proposed rates, including market supplement, recognising the pressures faced by providers.

The below fees for nursing care in Tables 1 and 2 do not include the Local Authority Free Nursing Care (FNC) element nor the Health Board FNC element. Care must be taken when comparing to prior year reports as, historically, LA FNC rate has been included in our nursing fees. The current Health Board FNC rate for 2024/25 is £218.12 and the current LA FNC rate for 2024/25 is £8.83. These rates are due to be reviewed in the coming months, with an inflationary uplift expected to be announced early in the new financial year.

**Table 1**  
**Proposed Fees for 2025/26 based on fees methodology (Excluding any Market Supplements)**

Category	2024/25 Fee as calculated by the model (April 2024)	2025/26 Calculated Fee	Increase Compared to 2024/25 fees	% Increase Compared to 2024/25 fees
Residential (Adults)	£753.04	£810.33	£57.29	7.60%
Residential (EMI)	£786.45	£847.12	£60.67	7.71%
Nursing Care (Social Care Element)	£820.34	£883.91	£63.57	7.75%
Nursing (EMI) (Social Care Element)	£886.67	£957.47	£70.80	8.00%

**Table 2**  
**Ynys Mon Proposed Fees for 2025/26**

Category	2024/25 Fee (April 2024)	2025/26 proposed Fee	Increase Compared to 2024/25 fees	% Increase Compared to 2024/25 fees
Residential (Adults)	£774.47	£832.56	£58.09	7.50%
Residential (EMI)	£865.46	£930.37	£64.91	7.50%
Nursing Care (Social Care Element)	£843.44	£906.70	£63.26	7.50%
Nursing (EMI) (Social Care Element)	£996.66	£1,071.41	£74.75	7.50%

The 7.5% increase, if approved, will apply to homes who accept our standard rates. Anyone currently in receipt of fees above our indicative rate will be asked to share financial information, with consideration of a monetary uplift.

In exceptional circumstances, it may be necessary to consider individual submissions from providers regarding these fees. Should there be clear evidence to indicate that the fee set is not sufficient in any individual case, the Council will need to consider exceptions to the fee rates. It is proposed that any such decisions are delegated to the Adults Services Portfolio Holder, Director of Function (Resources) / Section 151 Officer and Head of Adult Social Care.

The Executive Committee is requested to approve the recommendation to increase the fee level as follows:-

- R1 - Residential Care (Older People) - £832.56 per week
- R2 - Residential (EMI) - £930.37 per week
- R3 - Nursing Care (Social Care Element) - £906.70 per week (Excluding LA and HB FNC)
- R4 - Nursing (EMI) (Social Care Element) - £1,071.41 per week (Excluding LA and HB FNC)

In line with other authorities, we request that the Executive authorises Social Services and Finance Services to respond to any requests from individual homes to explore their specific accounts and to utilise the exercise as a basis to consider any exceptions to the agreed fees. Any exceptions to be agreed with the Adults Services Portfolio Holder, the Director of Function (Resources) / Section 151 Officer and the Head of Adult Social Care from within current budgets.

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

We considered using the fee methodology to base our 2025/26 fees but, in recognition of pressures faced by providers, we made the decision to deviate from the methodology and offer a market supplement over and above the fee calculated by the methodology.

**C – Why is this a decision for the Executive?**

Local Authorities need to set care home fee levels in line with the national policy. This decision has financial implications for the Local Authority's budget and in terms of affordability in the prevailing financial climate.

**CH – Is this decision consistent with policy approved by the full Council?**

Yes

**D – Is this decision within the budget approved by the Council?**

The additional cost of funding the above fees has been factored in the Authority's budget setting process.

**Dd – Assessing the potential impact (if relevant):**

1	How does this decision impact on our long term needs as an Island?	This is intended to support and encourage new provision in growth areas.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	Not applicable.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom	Discussions are ongoing regionally.
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	No citizen engagement, but we have been in regular discussion with providers.
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	This is intended to support individuals protected by the Act.
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	No impact.
7	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	No impact.

<b>E - Who did you consult?</b>		<b>What did they say?</b>
<b>1</b>	<b>Chief Executive / Leadership Team (LT)</b> (mandatory)	This paper has been discussed in LT and any observations made have been incorporated into this paper.
<b>2</b>	<b>Finance / Section 151</b> (mandatory)	The Section 151 Officer is part of the LT.
<b>3</b>	<b>Legal / Monitoring Officer</b> (mandatory)	The Monitoring Officer is part of the LT.
<b>4</b>	<b>Human Resources (HR)</b>	Not applicable
<b>5</b>	<b>Property</b>	Not applicable
<b>6</b>	<b>Information Communication Technology (ICT)</b>	Not applicable
<b>7</b>	<b>Scrutiny</b>	Not applicable
<b>8</b>	<b>Local Members</b>	Not applicable
<b>9</b>	<b>Any external bodies / other/s</b>	Not applicable
<b>F - Appendices:</b>		
N/A		
<b>FF - Background papers (please contact the author of the Report for any further information):</b>		
None		