

COUNCIL CABINET
11 February 2026



Report sponsor: Cllr Alison Martin, Cabinet Member for Health and Adult Care
Andy Smith, Strategic Director of People Services.
Report author: Gurmail Nizzer, Director of Commissioning and Delivery.

ITEM
XX

Adult Social Care Fees and Charges 2026/27

Purpose

- 1.1 Under the Care Act 2014, Councils have a duty to ensure that there is a sustainable and affordable social care market locally. This includes establishing fee levels that providers will expect to receive for commissioned care that is delivered to meet an individual's assessed needs. To ensure that the Council is aware of and taking account of the cost pressures affecting local providers of care, engagement with the independent market has been undertaken through the corporate budget consultation, which was open from 18 December 2025 to 16 January 2026. This report summarises the engagement findings, the reported cost pressures, and feedback from providers.
- 1.2 This report sets out the proposed Council rates for 2026/27, for standard residential/nursing care (Care Homes), standard Homecare, Supported Living, Extra Care and Day Opportunities services. The proposed increases to rates detailed in this report take into account the rises in the cost of care for the local market.
- 1.3 The Council has a number of placements and packages that are jointly funded with the NHS Derby and Derbyshire Integrated Care Board (DDICB) and will be subject to an annual uplift, agreed by both funding bodies. It is acknowledged that DDICB is presently clustering with Nottinghamshire and Lincolnshire ICBs, though this does not have an immediate effect on individual jointly funded arrangements.
- 1.4 The Council has contracting arrangements with specialist care providers for specific market areas and for customers with complex needs. The Council will review requests on an individual basis for any placements or packages of care agreed on a specialist/bespoke fee rate. Requests with evidence for an increase in these enhanced circumstances must be received by the Council in compliance with the relevant contractual policies, procedures and deadlines. No requests will be considered outside of these deadlines.
- 1.5 This report also sets out the proposed charges for Council-provided adult social care services for 2026/27, which forms the annual review referred to in the Council's Adult Social Care Charging Policy. It should be noted that the full cost of care is paid by around a tenth of customers, with the majority of people contributing to their care following the outcome of a Financial Assessment.

Recommendation(s)

- 2.1 To approve *up to* a **4.7%** increase for standard contract residential and nursing care weekly fee rates from April 2026 - net of the Registered Nursing Care contribution, net of any first or third party top up agreements including those funded by Derby City Council unless by exceptional agreement, and net of NHS ICB contribution.
- 2.2 To approve *up to* a **4.1%** increase for current Homecare package service fees from April 2026. As part of the new framework contract implementation plan, all existing packages under the previous fee model will transition to the current single fee contract rate during 2026/27.
- 2.3 To approve *up to* a **4.1%** increase on fees for current placements to providers of Supported Living services from April 2026.
- 2.4 To approve *up to* a **4.1%** increase on Extra Care services daytime rate, outreach rate and retainer fees from April 2026.
- 2.5 To approve a **4.1%** increase in Extra Care from 09 September 2026, for tenant contribution towards the delivery of the 24/7 Core Wellbeing Service.
- 2.6 To approve *up to* a **4.1%** increase for Day Opportunities providers operating on the framework through Council-managed services, in line with the maximum uplift for homecare/ care at home providers.
- 2.7 To approve an increase in existing Direct Payments, where an inflationary uplift is requested and evidenced on a case-by-case basis, of *up to* **4.1%**, in line with the maximum uplift for homecare/ care at home providers.
- 2.8 To approve an increase of **4.1%** to the charging rates for Council-provided services of in relation to administration and set up for Deferred Payment Agreements, Self-Funder Community Care Administration, and an increase of **3.8%** to the charging rates for the Appointeeship Service.
- 2.9 To approve for the following in-house service charges: Bonsall View to be increased by **4.7%** to match the maximum standard residential care increase; for Carelink to be increased by **4.1%** in line with all other community services; and for the Shared Lives Carer Service to also be increased by **4.1%** to match the maximum standard homecare/care at home increase from April 2026.
- 2.10 To approve that all the new rates will apply from the date of the rise in benefits for 2026/27, which is expected to be 06 April 2026.

- 2.11 To delegate authority to the Strategic Director of People Services in consultation with the Cabinet Member for Health and Adult Care, to agree bespoke fee levels *up to 4.7%* for Care Home placements, on an individual basis for complex customers placed with specialist providers and subject to non-standard contracts, within the overall budget of Adult Social Care Services.
- 2.12 To delegate authority to the Strategic Director of People Services in consultation with the Cabinet Member for Health and Adult Care to agree bespoke fee rates *up to 4.1%*, on an individual basis, for Supported Living packages of care meeting the needs of particularly complex Customers, within the overall budget of Adult Social Care Services.

Reasons

- 3.1 The Council must publish its intended fees for adult social care each year and ahead of the new financial year beginning, taking into account market conditions and cost pressures. The Care Act 2014 requires this as part of Council's "market shaping" duties which also require Councils to hold sufficient intelligence about their local care market, both in respect of sufficiency and sustainability.
- 3.2 Maintaining income levels for Council-provided services is essential to the management of the overall budget for the Council. This includes considering whether care services that are directly provided need to have their charges reviewed in line with inflation.
- 3.3 The proposed start date for all 2026/27 fees and charges aligns with the date that the Department of Work and Pensions (DWP) benefit rates are expected to change - provisionally understood to be 06 April 2026. The exception to this is where an uplift request is received part way during the financial or contractual year and there is no contractual 'window' to apply. The Council will make a decision on a case-by-case basis if or when the new rate will take effect.
- 3.4 Specialist fee levels for people with more complex needs in residential and community settings do not fit into the usual standard fee frameworks. Instead, these are individually set and agreed with providers at the point at which a contract for care is entered into. These do not lend themselves to be considered for a standard approach given they are bespoke to each individual.

Supporting information

- 4.1 Under the Care Act 2014, Councils have a duty to ensure that the fee paid to providers of care is able to create stability and sustainability within the local market. The Council has invested and will fund c£100 million worth of care packages and placements with independent care providers during 2026/27.

- 4.2 Adult Social Care fees and charges are reviewed by the Council and approved by Council Cabinet each year after annual full budget consultation.
- 4.3 Any uplift applied to the standard framework rates within the standard contract will be at the discretion of the Council and within the overall budget of Adult Social Care Services, taking into consideration affordability, current inflation pressures, and benchmarking data. Annual review will not always result in uplifts to fees. The Council will seek to enter into a dialogue with the Derby Care Association (DeCA) each year regarding market inflation pressures, financial position and challenges.
- 4.4 The Council will review requests on an individual basis for any placements or packages of care agreed on a bespoke fee rate, to meet the needs of particularly complex customers.
- 4.5 Packages of care that are jointly funded with other organisations including ICBs, will be subject to alternative timelines and processes to allow for review from all funding parties, on an annual cycle.
- 4.6 Where a placement or package is jointly funded with an ICB, the provider will be notified of the % uplift and full payment for that individual placement or package when both the Council and the ICB are able to confirm what this is within a reasonable timeframe.
- 4.7 Inflationary uplifts for specific cost elements have been adjusted for 2026/27 to comprise an overall weekly individual fee for care homes, extra care, home care and supported living. The factors that have been taken into account when setting the overall fee for 2026/27 are outlined below. The change to the National Living Wage (NLW) for 2026/27 is reflected for staffing costs in the model. This is increasing by £0.39 for 2026/27 meaning the hourly living wage rate will now be £12.60 per hour (for 21 years and over). It is therefore proposed that a composite inflationary figure of 5.91% is applied to the workforce, representing the fact that not all staff will be employed at national living wage levels.

Proposed inflationary increase for residential and nursing Care Homes

- 4.8 An overall inflationary increase of up to **4.7%** is proposed to standard contract placements within the Derby City boundary. The table below compares 2025/26 and proposed 2026/27 fee rates for standard rate residential and nursing home placements.

Placement type	Current rate 2025/26 per week	Proposed maximum rate 2026/27 per week (4.7%)
Standard Residential	£686.31	£718.57
Standard Nursing (net of RNCC)	£704.76	£737.88

Annual uplift fees for standard contracts/placements for residential and nursing care exclude first or third party top up agreements, including those funded by Derby City Council unless by exceptional agreement. Fees and uplifts are net of the Registered Nursing Care contribution and ICB contribution, unless by exception.

For customers placed via specialist contracts/ placements (and therefore subject to non-standard contracts) the Council maintains discretion of annual uplift award subject to affordability and adherence with the criteria outlined below. Approved annual uplift will be considered *up to* 4.7% and excludes first or third party top up agreements including those funded by Derby City Council unless by exceptional agreement. Fees and uplifts are net of the Registered Nursing Care contribution and ICB contribution, unless by exception.

Uplift requests must be submitted in line with specified deadlines to be eligible for consideration of an annual uplift award. Uplift requests dating back to previous financial years will not be considered.

Non-Health Funded Placements

Annual uplifts for placements within the Derby City boundary that are placed via standard contract, will receive an automatic annual uplift to the base fees including enhanced observations effective from the first Monday following the end of the tax year.

Annual uplifts for placements within the Derby City boundary that are placed via specialist contract will be subject to approval. Service providers are required to formally request an annual uplift fee on a specialist contract/ placement, and this request must be received by the Council between 2nd January and 1st March prior to the pending new financial year. No requests will be considered outside of this window. Awarded uplifts will be effective from the first Monday following the end of the tax year and will apply to base fees including enhanced observations.

For placements that are delivered outside of the Derby City boundary, the Council will consider an annual uplift fee percentage, where comparable, in line with the host Local Authority. The service provider must provide evidence of the inflationary uplift award from the host Local Authority in order for the uplift to be considered. The service provider has responsibility to ensure that they submit any uplift requests subject to the deadline, between 1st April and 30th June of the current financial year, in order to be considered. No requests will be considered outside of this window. Approved fee uplifts will be effective from the first Monday following the end of the tax year.

Placements that are Jointly Funded with Health

Jointly funded placements that are:

- Standard contract and within the city boundary
- Specialist contract and within the city boundary
- Standard contract and outside of the city boundary

- Specialist contract and outside of the city boundary

will be subject to alternative processes to allow for review from all funding parties on an annual cycle. Service providers are required to submit annual uplift requests for these placements to both the Council and the ICB within the deadline of between 1st April and 30th June of the current financial year, in order to be considered. The Council will not consider any requests outside of this window. Failure of the service provider to send the uplift request to the Council directly will prevent eligibility for an uplift award. Approved fee uplifts will be effective from the first Monday following the end of the tax year.

Top Up Fees

Annual uplift to top-up fees will not automatically be applied. The service provider must approach the Council to request an annual uplift to a top up fee in line with the terms specified in the contract. Requests for increases to a top up fee can only be considered once per year and cannot exceed the host Local Authority's annual uplift award.

Proposed inflationary increase for current Homecare packages

- 4.9 An inflationary increase of *up to 4.1%* is proposed for current homecare packages based on allowances for staff costs and percentage increases being applied across a number of non-staffing elements.

Description	Current Rate 2025/26	Proposed maximum rate 2026/27 4.1% increase
Weekday hourly rate (07:00-20:00hrs)	£20.09	£20.91
Weekday 15-minute call rate (07:00-20:00hrs)	£6.51	£6.78
Evening/Weekend hourly rate	£22.28	£23.19
Evening/Weekend 15-minute call rate	£9.69	£10.09

Lengths of call/ visit time that are over 15 minutes will be paid at a pro-rata amount of the relevant hourly rate. If calls overlap times for two different rates (outlined in table above), they will be allocated the rate that applies at the start of the call.

The new homecare rates for new packages arranged under the new framework that will be in place for April 2026, is shown in the table below. This includes a new rate for Home Care PLUS. It is proposed that packages will transfer to these rates in the coming months which will negate the current rates identified above and be modelled on an outcome-based approach.

Description	Current Rate 2025/26	Proposed maximum rate 2026/27 4.1% increase
Standard Home Care	£21.41	£22.29
Home Care PLUS	£22.08	£22.99

Customer needs level criteria (as assessed by Derby City Council)

Standard	Low/Medium
	<ul style="list-style-type: none"> needs support with personal care, hygiene may require extra support with communication positive behaviour management
Home Care Plus	High
	<ul style="list-style-type: none"> severe behaviours that challenge may require high level of support with communicating

Proposed inflationary increase for current Supported Living placements

- 4.10 An inflationary increase of *up to 4.1%* is proposed. The table below compares 2025/26 and proposed 2026/27 fee rates for Supported Living services.

Supported Living Dynamic Purchasing System (DPS) Rates (old framework)

Description	Current Rate 2025/26	Proposed maximum rate 2026/27
Standard	£18.73	£19.28
Complex / Specialist Mental Health	£19.35	£20.14

Supported Living Services Framework (TD2187) Rates (new framework)

Description	Current Rate 2025/26	Proposed maximum rate 2026/27
Lot 1 – Individual hours (1:1,2:1 or Core Support) and Waking-Night hours (per hour)	£18.52	£19.28
Lot 2 – Individual hours (1:1,2:1 or Core Support) and Waking-Night hours (per hour)	£19.50	£20.30
Lot 3 – Individual hours (1:1,2:1 or Core Support) and Waking-Night hours (per hour)	£22.50	£23.42
Sleep – All Lots (per night)	£115.11	£119.82

The Council will review requests on an individual basis for any packages of care agreed on a bespoke fee rate, to meet the needs of particularly complex customers. Requests with evidence for an increase in these enhanced circumstances must be received by the Council between 2nd January and 1st March prior to the pending new financial year. No requests will be considered outside of this window. Any bespoke rate changes will be effective from the first Monday in April of the subsequent financial year.

Packages of care that are jointly funded with other organisations including NHS ICBs will be subject to alternative timelines and processes to allow for review from all funding parties, on an annual cycle. If applicable, annual uplifts to fees will not automatically be applied where there is a first or third party top up agreement, including Council funded top ups.

Proposed inflationary increase for Extra Care

- 4.11 An inflationary uplift of *up to 4.1%* is proposed for the day rate, outreach rate and retainer fee. The table below compares 2025/26 and proposed 2026/27 rates for Extra Care.

Description	Current Rate 2025/26	Proposed maximum rate 2026/27 4.1% increase
Planned Care Hourly Fee	£19.98	£20.80
Planned Care Outreach Fee	£19.98	£20.80
Planned Care Retainer Fee	£12.00	£12.49

An inflationary uplift of **4.1%** is proposed to tenant contribution towards the 24/7 Core Wellbeing Service, effective from 09 September 2026. The table below compares the current rate and the proposed rate for the tenant contribution to the 24/7 Core Wellbeing Service:

Description	Current rate (until 08 September 2026)	Proposed rate (from 09 September 2026)
Tenant Contribution towards 24/7 Core Wellbeing Service	£30.42 per week	£31.67 per week

Day Opportunities rates

- 4.12 Day Opportunities have previously been purchased directly by customers via their Direct Payment. However, feedback from carers and customers showed they expressed a preference for the Council to commission these services. A significant piece of work has been undertaken to instigate a robust commissioning approach which has resulted in managed contract/services options. This work will also support the Council in having improved oversight through contract management and monitoring.

The Council funds adult day services on the basis of 50 weeks per year. This arrangement recognises that, although some services may remain open for up to 52 weeks annually, individual customers will take holidays or have periods when they do not attend. Funding for a 50-week duration provides a fair and consistent approach for all customers. It allows for short breaks and public holidays while ensuring that services remain available and operational for the majority of the year. Service providers are expected to maintain service availability throughout the year, except during agreed closure periods such as public holidays or planned service breaks. This approach supports continuity of care and enables customers to access services regularly while allowing flexibility for periods of non-attendance.

The 2025/26 rates for day opportunities managed services are as follows:

	Group Rate (Session rate – minimum 6hrs)	1:1 Per Hour (centre or community)
Low Need	£61.20	£17.48
Medium Need	£74.97	£17.48
High Need	£91.76	£21.74

The proposed rates for 2026/27 are as follows:

	Group Rate (Session rate – minimum 6hrs) (4.1% increase)	1:1 Per Hour (centre or community) (4.1% increase)
Low Need	£63.71	£18.20
Medium Need	£78.04	£18.20
High Need	£95.52	£22.63

Proposed inflationary uplift for Direct Payments

- 4.13 If a request is received from a Direct Payment holder whose provider has increased their fee and in consideration of any information they are furnished with from their care provider or employees such as Personal Assistants, where appropriate, it is proposed that existing individual Direct Payments for 2026/27 may be uplifted up to **a maximum of 4.1%**, in line with the proposed maximum for homecare providers. Any proposed uplift will need to be evidenced as linked to inflationary pressures associated with the specific cost of care for each individual, rather than increasing levels of individual need which would be dealt with via a social work review.

The rationale for aligning the potential uplift to that proposed for home care is that this will harmonise discussions with those care organisations who may operate a mixed economy of both commissioned services (using a contract) and those delivered using a Direct Payment. Inflationary care cost increases for Direct Payments will still need to be explored separately as there may be different pressures depending on how the care is delivered and configured.

Charging for Social Care Services

- 4.14 Charges for customers receiving community-based support or residential and nursing care support are governed by the Council's *Adult Social Care Charging Policy* underpinned by the Care Act 2014 and supporting statutory guidance.

In line with the *Adult Social Care Charging Policy*, customers receiving community-based support will be charged for the full cost of their social care support, subject to the limit of their assessable income and except where the Council is required to provide the service free of charge. With the exception of some fixed-charge services, all people who are required to make a contribution towards their care undergo a Financial Assessment to determine the amount that they can afford to contribute. Most people receive a subsidy and are not asked to pay the full cost of their care.

Maximum contribution for community-based services

- 4.15 The Council has discretion under the Care Act 2014 to set a maximum contribution that a customer would be expected to pay towards the cost of their non-residential care. The Council has previously decided not to apply a cap, as set out in the *Adult Social Care Charging Policy*. No change is proposed.

Charges for Social Care Services	Limit 2025/26	Proposed Limit 2026/27
Maximum Contribution	No cap	No cap

Charges for independent sector/ commissioned services

- 4.16 In accordance with the *Adult Social Care Charging Policy*, the new proposed costs for independent sector provision described above will be passed on in full to customers for whom the Council arranges support, subject to the outcome of their Financial Assessment.

Short-term residential care charges

- 4.17 The Council has previously set the charge for *Short Breaks in a Registered Care Home* for up to four weeks based on the minimum amount of benefit entitlement for the age of the customer less the statutory residential personal expenses allowance. The Council plans to review its approach of fixed rate charging for short-term residential care during 2026/27. Pending this review, the proposal is to continue the existing approach and reflect the 2026/27 rates in the table below when received. Confirmation of the applicable rates for 2026/27 is not likely to be received until mid-February when it is announced in the Local Authority Circular.

Service Unit	Rate 2025/26	Proposed Rate 2026/27
Short term residential care of up to four weeks		
- under Pension Credit Age	£104.60 weekly	£tbc
- over Pension Credit Age	£196.45 weekly	£tbc

Inflationary charges increase for Council provided services – 2026/27

- 4.18 It is proposed that the amount charged for care and administrative services provided directly by the Council should be increased by **4.1%** in line with the proposals for commissioned community care services.

Bonsall View Short Breaks Service

- 4.19 The Council provides a Short Breaks residential care service at Bonsall View for customers with complex needs. It is proposed that the current Bonsall View charges are increased by **4.7%** to ensure alignment and consistency with the uplift proposed for standard residential care.

Bonsall View	2025/26 rate	Proposed 2026/27 rate
Short Breaks	£438.90 per night	£ 459.53 per night

Where a placement in this service is joint funded with the ICB the uplift and full payment for the individual placement will be affected when both parties have confirmed what this is and within a reasonable timeframe.

Carelink

- 4.20 The current fee for Carelink services is £7.16 per week. It is proposed that the current Carelink charges (which are weekly for individuals and annually where arrangements exist with Housing Associations, including Derby Homes) are increased in April by **4.1%** to £7.45 per week. This will be applied consistently to all service level costs to Carelink for the provision it delivers, including to Derby Homes. This takes into account an inflationary increase as well as the increase in direct costs to Carelink for the provision and maintenance of equipment. This uplift will also ensure alignment with the proposed uplift for all other community (non-residential) care services.

Shared Lives

- 4.21 It is proposed that the current Shared Lives fees and charges are increased by **4.1%** to match the maximum uplift being applied for homecare services, reflecting the overall cost pressures affecting the cost of the carer.

Administration Charges - Deferred Payment Agreements

- 4.22 The Care Act 2014 introduced a new duty for every local authority to offer a deferred payment scheme, meaning that no one should be forced to sell their home during their lifetime in order to pay for their residential care. The Care Act guidance and regulations set out what local authorities can charge in interest on any amount deferred and the administrative charges which may be recovered in relation to deferred payment arrangements.

Deferred Payment Agreement Set-up Charge

- 4.23 In the Care Act 2014 impact assessment, the Department of Health estimated that the cost to Councils of administering a Deferred Payment Agreement was £750. Local estimates of the costs incurred were in line with this, so for 2016/17 the Council set the charge for setting up a Deferred Payment Agreement at £750, and this has since been increased each year in line with the budgeted inflationary increase in income.

It is proposed to increase the set-up charge by **4.1%**.

The Council has previously chosen not to charge an annual administration charge for managing a Deferred Payment Agreement as set out in the *Adult Social Care Charging Policy*. No change is proposed.

Deferred Payment Agreement	2025/26 rate	Proposed 2026/27 rate
Set-up charge	£ 1025.00	£1067.00
Annual administration charge	None	None

Deferred Payment interest rate

- 4.24 The Care Act 2014 regulations state that the interest rate applied to Deferred Payment Loans must be based on the cost of government borrowing - specifically the 15-year average gilt yield - as set out by the Office for Budget Responsibility twice a year in their Economic and Fiscal Outlook report. The Care Act allows discretion for Councils to apply up to an additional 0.15% to this rate. Interest rates are based on the average gilt rates which are only published six monthly and, in line with a number of other Councils in the region, Derby City Council has previously decided to charge the maximum interest rate for deferred payments allowed under the Care Act 2014.

No change is proposed to this for 2026/27 i.e. it is proposed that the Council will apply 0.15% additionally to the base rate for the specified time period. In the event that the 15-year average gilt yield value is not available for a specific period, then the previous rate will continue to be applied until a new rate becomes available. Interest will be compounded daily.

Deferred Payment Agreement	2025/26 rate	Proposed 2026/27 rate
Interest rate premium	0.15%	15-year average gilt yield value +0.15%

Self-funder community care administration charge

- 4.25 As laid out in the *Adult Social Care Charging Policy*, Derby City Council applies charges to cover the administrative costs incurred when it organises community-based services on behalf of people who are able to pay for the full cost of their care (except where the local authority is required to arrange care and support free of charge).

It is proposed to increase the self-funder set-up and maintenance charges by **4.1%** to reflect current growth in inflation and pay award.

The proposed rates for 2026/27 are as follows:

Service	Rate 2025/26	Proposed Rate 2026/27
Setting up a community care package	£ 125.00	£130.00
Annual maintenance for a community care package	£ 115.00	£120.00

Deputyship and Appointeeship service

- 4.26 Where people do not have capacity to manage their own money (as evidenced by a Mental Capacity Assessment), they need someone to act on their behalf. Typically, a family member or close friend will take on this role, but some people do not have anyone in their circle of support willing to take on the role. A number of independent sector organisations offer this service for a fee, and social workers will normally seek to signpost customers and their families to these services. As a last resort, the Council is able to act as a Deputy or Appointee.
- 4.27 The basic Appointeeship service for someone living in the community or a residential care or nursing home involves receiving benefits on behalf of the customer, paying out a regular personal allowance from benefit funds received and providing support to customers to pay their own bills. The enhanced Appointeeship service additionally includes management of regular payment schedules (rent, utility bills) on behalf of the customer. These additional tasks take more time and therefore the enhanced service has a higher charge.
- 4.28 Deputyship involves making decisions on behalf of the customer rather than just managing their money for them. The Court of Protection sets out the charges for Deputyship. On the rare occasions when we agree to apply for Deputyship on behalf of a customer, the charges from the court will be passed on to the customer, in addition to the enhanced Appointeeship service charge.
- 4.29 It is proposed to increase the Appointeeship service charges by **3.8%** and is linked to the benefit uplifts for 2026/27. The proposed charges, which are subject to a Financial Assessment as described under the Care Act 2014, are:

Appointeeship Service	Rate 2025/26	Proposed Rate 2026/27
Basic service (4 weekly)	£34.50	£36.00
Enhanced service (4 weekly)	£61.50	£64.00

Public/ stakeholder engagement

- 5.1 The Council has engaged with the local care market by proactively communicating to individual providers and encouraging them to respond to the corporately led Council MTFP and budget consultation 2026/27. Responses received from care providers will be managed through this consultation process and the Adult Social Care leadership team will be made aware of any feedback directly relating to its proposed fees and charges for 2026/27.
- 5.2 The Council has continued dialogue with its strategic Adult Social Care market partner, the Derby Care Association (DeCA), via scheduled and topic-specific meetings and forums, with the proposed fees for 2026/27 being a current and critical theme for two-way discussion. Co-Chairs of DeCA have regular meetings with the ASC Leadership team and as part of the Fees & Charges setting process each year, have opportunity to meet with the Cabinet Member for Health and Adult Care to express their views.
- 5.3 The key themes emerging from feedback and discussion are in relation to increased costs arising from additional National Insurance contributions and the wider staff group this applies to, National Living Wage and Inflation.

Other options

- 6.1 The Council could determine not to award any inflationary increase to the fees it pays for in-house and independent sector care. This is not being recommended as having a sustainable and viable social care market is vital to ensuring that the Council can discharge its statutory duties in relation to vulnerable adults.
- 6.2 The Council could decide not to increase the charges it levies for in-house and independent sector care. This is not being recommended as it would create an unmanageable pressure in the adult social care budget.
- 6.3 The Council could decide not to exercise the powers granted in the Care Act 2014 to levy administrative charges for certain activities. This is not being recommended as it would create an unmanageable pressure in the adult social care budget.

Financial and value for money issues

- 7.1 The proposals in this report will help the Council to provide its statutory services within the available budget. The proposed fee increases for external care providers has taken into account inflationary pressures, specifically in relation to the ongoing National Living Wage rises and pension contributions. Other measures such as demand management activity, diverting people into alternative low-cost services, and using preventative approaches such as Local Area Coordination and Technology Enabled Care will also be utilised to help manage cost pressures.

Legal implications

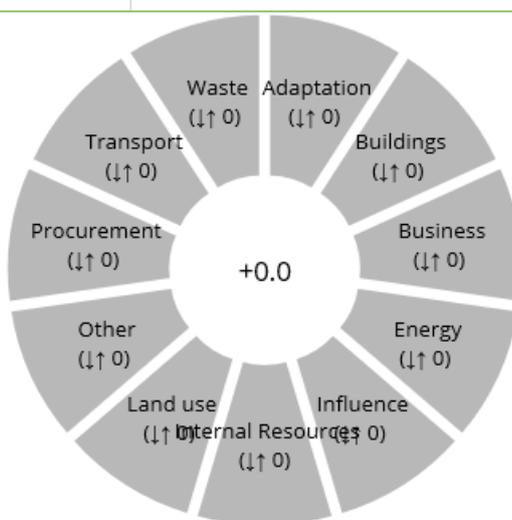
- 8.1 The public sector equality duty, under section 149 of the Equality Act 2010, requires public bodies to have due regard to the need to eliminate discrimination and promote equality of opportunity for groups including disabled and older people. By ensuring that a fair price for care is paid and charged for, the Council will fulfil its duty by ensuring that older or disabled people are able to access care locally and from a viable, sustainable and high-quality care sector.
- 8.2 Consultation on the Adult Social Care Charging Policy took place in 2020 the outcome of which has informed the content of this report; similarly, an equality impact assessment (EIA) of the impact of the Adult Social Care Charging Policy has been carried out. The EIA and a summary of its findings can be found on the Council website here:
<https://www.derby.gov.uk/community-and-living/equality-diversity/equality-impact-assessments/>

The outcome of the EIA was that no major change was needed given that no potential for discrimination or negative impact had been identified and therefore no mitigations required.

A review of the Adult Social Care Charging Policy will be undertaken in 2026.

Climate Implications

- 9.1 None arising from this report.



Other significant implications

10.1 Equalities Impact

The people affected by these charges have protected characteristics under the Equality Act – however, everyone making a contribution towards the cost of their support undergoes a Financial Assessment to determine how much they can afford to contribute. Very few people pay the full rate for these services.

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal	Olu Idowu, Head of Legal Services	
Finance	Janice Hadfield, Head of Finance	
Service Director(s)	Gurmail Nizzer, Director of Commissioning and Delivery	
Report sponsor	Andy Smith, Strategic Director of People Services	
Other(s)	Andy Muirhead, Head of Adults Commissioning, Integration and Market Development Amanda Verran, Head of Business Support and Debt Management Sharon Green, Head of Childrens Residential Services (inc. Bonsall and Shared Lives)	

List of appendices:	No appendices for this paper
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