



**COUNCILLOR
CHRISTINE JONES**

**CABINET MEMBER FOR
ADULT SOCIAL CARE**

**CABINET
27 MARCH 2017**

**2017-18 RESIDENTIAL & NURSING PROVIDER
FEES**

Councillor Chris Jones said:

“This report is proposing investment into making sure residents can access nursing and residential care of the highest quality.

Following extensive consultation with care providers, an investment of £2.9 million is being proposed, helping to ensure a responsive and sustainable market of care providers is available in Wirral to support our vulnerable residents.]”

REPORT SUMMARY

- To report the outcome of consultation with care providers with regard the 2017-18 fee rates for services provided for Adults in Wirral Council.
- To summarise local requirements to deliver a responsive and sustainable care market, with a quality of care that reflects our local expectations.
- Proposals have been made in the context of significant financial pressures in relation to care costs for both providers and the council, whilst giving due regard and consideration to local market pressures.
- The consultation has covered services provided on behalf of Wirral ASC and Wirral CCG as part of its joint commissioning arrangements for service provision Wirral wide in all wards.
- Cabinet is being asked to invest £2.9m into social care provision.

- The report covers all sectors: Residential and Nursing (including Intermediate Care and specialist services.), Domiciliary Care (including Extra Care housing support) and Supported living.
- The following pledges are linked to and supported by the recommended increases:
 - Older People Live Well
 - People with disabilities live independently
 - Young People are ready for work and adulthood
 - Wirral is a place where employers want to invest and businesses thrive
 - Greater job opportunities in Wirral council
 - Thriving small businesses
 - Workforce skills meet business needs
- The report includes a set of numbered appendices providing the detail for each sector.

RECOMMENDATIONS

- Cabinet approve the rates and fees recommended within the report.
- Agree the increased cost of £2.9m (note the DASS precept raise of £3.7m)
- Cabinet approve to uplift fees to providers from 1st April 2017
- Approve the forward work plan to work in collaboration with the Liverpool City Region (LCR) and the Supported Living Sector to pilot test and phase in a sustainable new model of care.
- Approve the forward work plan to work with partner organisations and the independent sector to develop a new model of step up and step down bed base provision.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Council is required to maintain and support a local market to deliver care and support. The work undertaken by officers has taken into account legal requirements and core standards of care and has provided a clear evidence base for the proposed fee increase.
- 1.2 The Council has a duty to commission a range of high quality, appropriate services, offering people choices. There is a duty to ensure the market is responsive and sustainable; looking after the care market as a whole and ensuring continuity of care.
- 1.3 The proposed fee rates take account of the recent volatility in a dynamic domiciliary care market and the recent and growing challenges identifying sufficient capacity in sectors such as residential EMI. A further potential difficulty is that 3rd party top up arrangements are now an established feature of the market place.
- 1.4 A range of provider engagement options were made available during the consultation period; including 1:1 or group sessions, dedicated email correspondence and open book accounting offer.
- 1.5 Benchmarking exercises have been undertaken across the Northwest finance group. Consideration has been given to the benchmarking data gathered to inform fee proposal rates, a copy of which is attached in Appendix 2.
- 1.6 Provider views have been thoroughly considered in relation to their full range of costs and legislative and national requirements. The proposed fee rates take account of their views.
- 1.7 A full list of provider feedback and explanation of the consideration the department has given to these, is attached in appendix 1.

2.0 OTHER OPTIONS CONSIDERED **Not Applicable**

3.0 BACKGROUND INFORMATION

- 3.1 The Council's strategy remains as having a focus on setting fees that stimulate a responsive and flexible market place maintain capacity and ensure that a range of provision is available, including suitable provision for people with dementia.

This includes effective joint commissioning with the CCG for provision such as Intermediate care, supporting the whole system economy. Responsive and timely provision is required to support individuals appropriately in their Community, avoiding and minimising the need for acute services, maximising outcomes for individuals. The Council is investing in the development of viable

alternatives such as Extra Care housing and a range of step up and step down services to reduce and delay the need for long term care.

- 3.2 The rates and fees paid by the Council need to reflect both the requirements for providers to be able to meet quality and safety standards, enable the Council to maintain a stable market which can offer quality provision, whilst ensuring best value and consideration of local factors.
- 3.3 There has been significant change in the domiciliary care market in Wirral over recent months, which has had a destabilising effect and lead to some people having to wait for appropriate support at home. Additionally, there are growing challenges identifying sufficient capacity in sectors such as residential EMI. 3rd party top up arrangements are now an established feature of the market place.
- 3.4 The Council, as reflected in its' pledges for Vision 2020 is committed to improving the outcomes for older people and people with disabilities in Wirral, and minimising future demand within a sustainable budget.
- 3.5 Council officers have been working with the LCR and local providers to consider and develop alternate delivery models. It is proposed with Supported living providers to pilot a new model of care during Spring/Summer 17/18, with a view to evaluation and wider roll out to establish a sustainable model going forward.
- 3.6 CCG and Council officers are working with key health providers and independent sector to consider and implement a step up/ step down service, building upon national best practice evidence. Review of IMC services is underway and future options based upon a 'discharge to assess' and 'home first' approach will be considered. The preferred model and approach will be recommended which will take account of an appropriate fee structure. Reablement services are fundamental to this future approach and ensuring a robust, responsive service has been considered as part of the fee proposal.

4.0 FINANCIAL IMPLICATIONS

4.1 Financial breakdown table

2017/18	Current	Proposed	Increase	Est. Pressure/yr	% Increase	FNC	Proposed (inc. FNC)
Supported Living - Day Hours	£13.02	£13.55	£0.53	£782,000	4.1%		£13.55
Supported Living - Night Hours	£72.51	£73.92	£1.41	£54,000	1.9%		£73.92
Res	£416.00	£434.00	£18.00	£473,000	4.3%		£434.00
Res EMI	£458.00	£488.00	£30.00	£391,000	6.6%		£488.00
Nurs	£457.00	£477.00	£20.00	£266,000	4.4%	£156.25	£633.25
Nurs EMI	£479.00	£499.00	£20.00	£220,000	4.2%	£156.25	£655.25
Dom Care	£12.92	£13.80	£0.88	£621,000	6.8%		£13.80
Extra Care	£11.50	£12.00	£0.50	£100,000	4.3%		£12.00
Total Increase				£2,907,000			

BCF-Funded Care

Intermediate Care	£643.00	£700.00	£57.00	8.9%	£700.00
Reablement	£14.20	£15.70	£1.50	10.6%	£15.70
Mobile Nights	£47.25	£50.00	£2.75	5.8%	£50.00

4.2 In respect of residential services, a greater % increase has been applied to EMI residential and nursing rates to incentivise the market to meet demand in this area.

4.3 The cost of implementing the revised fees from 1 April 2017 is £2.9 million for the full year 2017/18. This can be accommodated from within the Adult Social Care Budget. The Adult Social Care Precept increase for 2017/18 has raised £3.6 million.

5.0 LEGAL IMPLICATIONS

5.1 Under the Care Act 2014 local authorities (“LA’s”) have a duty to promote diversity (choice) and quality in the care and support provider market. The purpose is to produce a sustainable and diverse range of care and support providers to deliver better, innovative and cost-effective services and support to promote the well-being of every person with need of care and support. This requires LAs to identify those with care and support needs in their area, identify what needs require prioritising and then encourage provider competition, while monitoring the quality of the services provided. In addition LA’s have a duty to assure provision where care providers in their area that have failed to provide the required service at the appropriate level of quality.

5.2 In order to avoid challenge the council must be able to demonstrate that the approach adopted in relation to the decision is open, fair and transparent. Provided that the council has followed due process and given due regard to the actual costs of care, then the decision as to what fees it will pay to care home providers is a matter for the council and it may take into account its financial circumstances in coming to that decision.

5.3 When considering the actual cost of care, fees should not be set mechanistically but should have due regard to provider’s costs, efficiencies and planned outcomes for people using services. Fee setting must take into account the legitimate current and future costs as well as factors that may affect those costs (for example: National Minimum Wage) and not just the potential for improved performance and more cost effective ways of working..

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

6.1 Officers will continue to work with the sector to develop new care models for both IMC and Supported Living.

7.0 RELEVANT RISKS

7.1 The Council has shared the fee models with providers. It has responded to the issues raised during the consultation period reflecting on the proposed changes and stating the reasons for its decisions. Accordingly, the final proposal is reasonable and well considered.

7.2 The Council has maintained a considered balance between the cost of care, maximising the Wirral pound, whilst considering local factors, quality and meeting need.

8.0 ENGAGEMENT/CONSULTATION

8.1 The Council has undertaken a period of consultation and engagement with providers during January and February 2017.

8.2 Consultation timetable:

Date	Actions/Details
Monday 9th January to 19th February 2017	Commencement of engagement re: fee proposal for 2017/2018. 6 week engagement period up to 5pm 19th February 2017. Providers engagement options: <ul style="list-style-type: none">• Individual meetings with Officers to discuss any particular concerns or issues.• Open Book Accounting offer.• Group forums.
Friday 20th February to 27th February 2017	Consideration of all comments received by the 19th February deadline. Opportunity for any required clarification with providers.
Friday 27 February to 2nd March 2017	The Council drafts its' final position and proposal for Cabinet.
27th March 2017	Cabinet considers' the proposal and confirms decision.
April 2017	New rates applied, subject to Cabinet decision.

9.0 EQUALITY IMPLICATIONS

Equality impact Assessments have been carried out.

<http://democracy.wirral.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13652>

REPORT AUTHOR:

Jacqui Evans, Assistant Director for Integrated Commissioning
Mathew Gotts, Principal Accountant
Tel: 0151 666 3938
Email: Jacquievans@wirral.gov.uk
matthewgotts@wirral.gov.uk

APPENDICES

Appendix 1 Consultation – Consideration of feedback from providers

Appendix 2 Wirral’s proposed rates, benchmarked against other Northwest Councils

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	13th March 2014
Cabinet	13th March 2015
Cabinet	6th June 2016