

TRAFFORD COUNCIL

Report to: Executive

Date: 24 October 2022

Report for: Noting

Report of: The Executive Member for Adult Social Care

Report Title

Fair Price for Care and the Fair Cost of Care

Summary

This report is to provide the Executive with an update on recent and planned activity around the Fair Price for Care and the Fair Costs of Care

Recommendation(s)

That the Executive:-

- **Note the content of the report**

Contact person for access to background papers and further information:

Name: Karen Ahmed

Extension: 1890

Background Papers: None

Implications:

<p>Relationship to Policy Framework/Corporate Priorities</p>	<p>Reducing health inequalities Supporting people out of poverty Addressing our climate crisis</p> <p>Trafford Together Plan and the Integrated Care System:</p>
<p>Relationship to GM Policy or Strategy Framework</p>	<p>Greater Manchester Population Health Plan 2017-2021: Age Well Priority: We are continuing to support more people to live at home for as long as possible and we will manage infection rates through the provision of safe care at home and care home services.</p> <p>Greater Manchester Health and Care Board Urgent and Emergency Care Improvement and Transformation Plan: Social care is integral to priorities around reducing delayed hospital discharges and urgent/unplanned care and our community response to COVID.</p> <p>Greater Manchester Live Well at Home Strategy: This proposal is aligned with GM priorities to improve homecare and supports us to continue to transform homecare, in line with our allocation of GM Transformation monies.</p> <p>Across GM, there are over 560 residential and nursing homes with over 19,000 beds. These homes make a significant contribution to the functioning of the health and care economy but there is significant variation in the level of quality, responsiveness, and adaptability. Last year GM established quality targets, based on CQC ratings, and these will be reviewed in line with the changing regulation framework. We have seen recent improvements in the quality of care provided by care homes despite the challenges of Covid.</p> <p>GM is currently focused on maintaining market stability, and a number of boroughs have already lost some of their care homes. As the intention is to move away from traditional nursing and residential care homes, this will involve some reshaping and diversification of the market.</p> <p>Housing Strategy and Ageing Well: We are working very closely with our colleagues in housing strategy and in public health to look at a number of different options to support people living in the community with a wide range of needs so that people only enter residential care when they need that level of care and support, rather than because their living accommodation does not meet their needs or they are lonely. These approaches are articulated in our Ageing Well and new Older Peoples' Housing Strategies.</p> <p>Commissioning Strategy and Market Position Principles: Our vision for the market and our commitment to coproduction is articulated in "Trafford Together," our locality plan which has now been refreshed. This is a jointly agreed document which sets out the system wide changes we need to make.</p>
<p>Financial</p>	<p>The proposed uplift based on increases to the RLW/NLW and CPI for other costs would be met from within the overall</p>

	allocation for inflation and demography in the Medium Term Financial Plan (MTFP) that has been allocated to the Adult Social Care budget for 2022/23.
Legal Implications:	Consultation requirements are set out in relevant legislation. Legal advice will be sought where required.
Equality/Diversity Implications	Decision-makers are under a legal duty to have due regard to the need to eliminate discrimination against home care recipients (as well as providers/staff), promote equality of opportunity between such persons and others and foster good relations between such persons and others. Therefore, it is important to take care that all the new rates are adequate to promote a diverse and high quality care market, in particular because of the risk that otherwise there could be an adverse impact on the welfare of vulnerable residents and/or staff and their ability to enjoy a quality of life comparable with those less vulnerable. Vulnerable residents include in particular the elderly, women and disabled persons. Staff are largely female and older persons. Decision-makers need to be satisfied that the proposed rate is adequate for the welfare of residents and staff. Older women are disproportionately represented in social care because they live longer. In addition, poorer residents will be the key recipients of funded adults' social care, as they often acquire long term conditions and illnesses earlier that necessitate social care and they do not have the resources to fund their own care. The increase in rates will ensure that these groups of people are able to access services which meet their needs.
Sustainability Implications	N/A
Carbon Reduction	The reorganisation of homecare staff into localities will enable more walking to homes to provide services, impacting positively our carbon footprint.
Resource Implications e.g. Staffing / ICT / Assets	N/A
Risk Management Implications	The key risks for Trafford are around maintaining a sustainable care market within a nationally very fragile social care market. The key challenge currently is around utility costs, cost of living and recruitment to care. The national Fair Cost of Care exercise is unlikely to have capture all these costs and this may pose another challenge to the sustainability of the market as we move towards the cap on charging for adult social care.
Health & Wellbeing Implications	The recommendations outlined in this report will have a positive impact on the health and wellbeing of local residents in the following ways: <ul style="list-style-type: none"> • Local social care workforce will experience improved pay and conditions which will improve their health and wellbeing and have a positive impact on workforce retention rate in homecare locally. • Improved workforce retention will support market stability and support maximum capacity within the available workforce. • People in receipt of homecare will experience improved quality of care by ensuring adequate time for visits so that carers can do their job properly; providing statutory sick pay for workers so that they don't have

	to work with vulnerable residents when they are ill; better continuity of care
Health and Safety Implications	N/A

1.0 Background

Fair Price for Care

- 1.1 Every year the Council undertakes an exercise called the Fair Price for Care which essentially sets out our pricing approach for the forthcoming year. We are required by law to consult with providers on this process.
- 1.2 In previous years, we simply applied an inflationary uplift to those prices, but as time went on, we recognised that there was an increasing disparity between those prices arrived at through this methodology and the cost of purchasing care, especially where this applied to older peoples' residential or nursing care in borough. From 2019 to 2021 we incrementally rebased the bed rate for older people, and in 2020 -21 we rebased the homecare rate in recognition of the transformative role that homecare provided. Both these exercises have contributed to our commitment to working towards the Ethical Care Charter, together with our Living Well at Home strategy. We are now reverting to using an inflationary uplift to the rebased prices together with consideration of the outcome of the Fair Cost of Care exercise.
- 1.3 This year, we will be proposing an inflationary uplift which will maintain the Council's commitment to the Ethical Care Charter by ensuring that we maintain the increase in price resulting from the rebasing exercises.

2.0 Proposals

- 2.1 We are proposing to consult with providers on the following inflationary uplifts:-
 - The CPI in October which is yet to be announced; and
 - The national living wage (NLW) increase which is also yet to be announced.
 - We will also take the RLW into consideration. This has been set at £10.90.
- 2.2 Once the consultation exercise has been completed, we propose to present a report to Executive in December detailing the outcome of the consultation exercise and proposals for future rates.

3.0 Fair Cost of Care

- 3.1 This year we are also undertaking the Fair Cost of Care exercise. This is the nationally required exercise which aims to ascertain the real cost of providing care by working closely with our local providers of residential and nursing care homes for people aged 65+ and homecare for people aged 18+.
- 3.2 In order to maintain impartiality in this exercise we employed an independent organisation Commercial.Gov to undertake the collection of this data. Commercial.Gov designed templates to simplify and collect the data, liaised directly with providers providing workshops and 1:1 support to ensure that the templates were completed correctly. Care-Cubed also set up a national template which some nursing and residential homes chose to complete instead.

- 3.3 Following collection of the data, the submissions were then validated with the providers and then an analysis of the data took place. The closing date was extended twice in order to allow for submissions to be completed to ensure that we included as many providers as possible in our return.
- 3.4 Our returns for the residential and nursing care home market were relatively low at 26% which is consistent with previous exercises that we have undertaken with the sector with regard to price. This represents 31.47% of the total beds in Trafford. A third of boroughs within Greater Manchester had a similar response. The homecare market had a higher response rate at 34% of the homecare framework. Again this was in keeping with a similar proportion of homecare organisations in Greater Manchester.
- 3.5 Even though we have a relatively small sample, the task of analysing the data has proved to be complex with providers defining costs differently and requests for further information and validation going unheeded. DHSC have offered further guidance in how to treat some of these issues. All validated and analysed data, must be submitted to the DHSC by 14 October using templates already created by the DHSC. The guidance and templates are constantly being updated in light of learning from the trailblazers who are piloting this approach.
- 3.6 The cost of care report will also outline the process, what worked well, what didn't work well, the response rate, the quality of the data and how much weight the Council will give to the outcome of the Cost of Care exercise.
- 3.6 The data will then go through a further period of validation and analysis by the DHSC and once deemed robust enough, the DHSC will advise that the data should be published. The DHSC anticipate that this will be approximately 6 weeks from submission.
- 3.7 The data will also be submitted alongside a provisional market sustainability plan.
- 3.8 Further information on additional financial support will be confirmed in December following feedback from the DHSC and confirmation of the Council's budget.

4.0 Activity Timetable

Date	Activity
14.10.22	FCOC return to DHSC
24.10.22	Executive Report
26.10.22	Consultation Starts
23.11.22	Consultation Ends
Nov/Dec	Publication of Annex B following DHSC scrutiny and permission to share
December 2022	Executive Report – consultation feedback and agreement of rates
February 2023	Publication of FCOC and Market Sustainability Plan

5.0 Consultation

5.1 The Council is legally required to consult with providers on the Fair Price for Care. Consultation will be carried out in line with legislative requirements.

6.0 Reasons for Recommendation

The Council is required to consult with the public on the proposals detailed in this report before a final model can be proposed for formal approval. The Executive is recommended to note the detail contained in the report by way of an update on the current position in respect of Fair Price For Care consultation.

Recommendations

That the Executive:-

- Note the content of the report

Finance Officer Clearance *(type in initials).....HZ.....*

Legal Officer Clearance *Steven Boyle – Head of Legal & Governance*

CORPORATE DIRECTOR'S SIGNATURE *(electronic)*

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

