

ADULT SOCIAL CARE & HEALTH CABINET MEMBER MEETING

Agenda Item 54

Brighton & Hove City Council

Subject:	Fee Level for Adult Social Care Services 2011-12
Date of Meeting:	14 th March 2011
Report of:	Director Adult Social Services/Lead Commissioner People
Contact Officer:	Name: Jane MacDonald Commissioner Tel: 29-5038 E-mail: jane.macdonald@brighton-hove.gov.uk
Key Decision:	Yes Forward Plan No. ASC18817
Wards Affected:	All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 This report concerns fees paid to independent and voluntary sector providers that supply care services on behalf of Brighton and Hove City Council. The report covers fees paid to providers of older people, people with physical disabilities, adults with mental health needs (including HIV and substance misuse) and learning disability services.

2. RECOMMENDATIONS:

The recommendations are:

1. To hold the fee levels at the 2010/11 rates for 2011/12, for all independent and voluntary sector providers
2. To hold direct payment rates at the 2010/11 level for 2011/12
3. To match the applicable host authority set rates for new care home placements out of the city

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

3.1 Brighton & Hove current financial position

The Council will set the budget for 2011/12 at Budget Council on 3 March 2011 within the funding parameters of Council Tax levels and the Local Government Financial Settlement. All service areas have been asked to identify how reductions in their net budget could be achieved to address the budget gap, consistent with a set of budget principles. The Adult Social Care budget strategy and savings proposals assume that the funds available for fees remain at 2010/11 levels and that this can be achieved through working in partnership with providers alongside other Value for Money initiatives.

3.2 Brighton and Hove previous fee levels and support provided

Locally fee levels for 2010/ 11 were in the main held at 2009/10 levels, see Appendix One. Brighton & Hove provides a range training that is free to access and which is much appreciated by providers. Indeed at the Registered Care Home Association annual conference in July 2010 providers were asked if they would prefer an additional fee increase or the training provided by the Council, the overwhelming majority of providers opted for the training.

There is health, safety and fire support and the first two years of Contractors Health and Safety Accreditation is paid for by the council. Contract support and advice is provided by Adult Social Care Contracts Unit to all contracted services.

3.3 Fees regionally and Funded Nursing Care

Early indication from the region is that few if any councils are planning uplifts; this includes both East and West Sussex. A minority of councils are considering a reduction in fees in some service areas.

Care homes providing nursing care receive Funded Nursing Care payments. Health will not be increasing payments and the rates will remain at £108.70 (standard rate) and £149.60 (higher rate).

3.4 Representation from providers

Providers represented by the Registered Care Homes Association stated that their minimum requirement is for any increase in costs to care homes, incurred through central government policy, to be reflected in fee levels. In October 2010 the National Minimum Wage rate was raised from £5.80 per hour to £5.93 for workers aged 21 and over. This will affect pay for many workers in the sector.

Provider representatives said that they would expect any basic client contribution increase related to benefits including pension increases, to be passed on to them. They also highlighted the rise in food and energy costs. Providers have been alerted to the financial position and will be encouraged to make efficiencies in areas that do not directly impact on service user care. They are aware of the Council's financial position and the need to balance the constraints on its own resources.

3.5 Commissioning and contractual arrangements

If providers are unable to meet the assessed need of a specific individual within the specified fee rates they are expected to contact the Council.

Intelligent commissioning and a review of contractual arrangements will increasingly deliver efficiencies across independent and voluntary sector care services. This is within the context of significant savings being made within the Council's own care provision.

Independent and voluntary sector services that experience financial difficulties are expected to make the Council aware and they will be offered advice and support. This includes Business Rates Assistance, the Be Local, Buy Local Campaign and other measures in the 'recession relief' package.

3.6 Set rates for all service areas

Currently there are no set rates for adults under 65. In order to provide clarity for providers, to assist everyone with forward planning and to move towards equity across service areas work is beginning on agreeing set rates for additional service areas. It is anticipated that this work will be aligned to Fee Levels 2012-13.

4. **CONSULTATION**

- 4.1 The Director Adult Social Services/Lead Commissioner for Adult Social Care and Health has discussed this issue and made presentations to a number of provider forums. In making this recommendation, providers' concerns have been taken into consideration, alongside the Councils overall budgetary situation.
- 4.2 Sussex Partnership NHS Foundation Trust welcomes the recommendations outlined in this Report.
- 4.3 NHS Brighton & Hove, Continuing Health Care also welcomes the recommendations in this Report.

5. **FINANCIAL & OTHER IMPLICATIONS:**

5.1 Financial Implications:

Better commissioning of services from independent sector providers will drive out efficiencies of approximately £1.4 million by holding fees at 2010/11 rates and reviewing contract specifications and activity levels. This will enable us to achieve reductions in unit costs and bring spend in line with comparator authorities.

Mike Bentley

Date: 1 March 2011

5.2 Legal Implications:

Consultation has been undertaken with affected and interested parties as described in the body of this report. Providers' views have been taken into account and as set out in the body of the report provision is already in place for free practical support, training and advice to assist providers with their individual or specific requirements.

Lawyer Consulted: Sandra O'Brien

Date 1 March 2011

5.3 Equalities Implications:

A separate Equalities Impact Assessment has been completed.

5.4 Sustainability Implications:

There are no specific sustainability implications set out in this report

5.5 Crime & Disorder Implications:

There are no specific crime and disorder implications set out in this report

5.6 Risk and Opportunity Management Implications:

The financial risks have been set out in the Financial section. Providers have been alerted to the financial position and will be encouraged to make efficiencies in areas that do not directly affect service user care.

5.7 Corporate / Citywide Implications:

The recommendations of this report are in line with the Council's Corporate Priority, 'Better Use of Public Money' and the need to keep the costs of delivering services under careful review.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S)

6.1 Within the context of the current financial pressures and efficiency savings being requested of the public sector, the Council would not be in a position to be able to award an inflationary increase for 2011/12.

7. REASONS FOR REPORT RECOMMENDATIONS

7.1 The report recommendations are made within the context of predicted national fee increase trends, low rates of inflation and the need for the public sector to make efficiency savings.

SUPPORTING DOCUMENTATION

Appendix 1

Residential Cares Homes for Older People	2010/11 Weekly Rate for NON PREFERRED PROVIDERS	2010/11 Weekly Rate for PREFERRED PROVIDERS
Low Need - single room	£322	£325
Low Need – shared room	£288	£291
Medium Need - single room	£391	£394
Medium Need – shared room	£355	£358
High Need - single room	£434	£438
High Need – shared room	£399	£403

Residential Cares Homes for OPMH	2010/11 Weekly Rate for NON PREFERRED PROVIDERS	2010/11 Weekly Rate for PREFERRED PROVIDERS
OPMH - single room	£476	£480
OPMH – shared room	£441	£445

Care Homes with Nursing for Older People	2010/11 Weekly Rate (inc Social Care Rate and Funded Nursing Care [FNC]) for NON PREFERRED PROVIDERS	2010/11 Weekly Rate (inc Social Care Rate and FNC) for PREFERRED PROVIDERS
Single Nursing Band Shared Room	£504.40	£509.40
Single Nursing Band Single Room	£539.40	£544.40

Care Homes with Nursing for Older People with Mental Health needs	2010/11 Weekly Rate (inc Social Care Rate and FNC) for NON PREFERRED PROVIDERS	2010/11 Weekly Rate (inc Social Care Rate and FNC) for PREFERRED PROVIDERS
Single Nursing Band Shared Room	£546.40	£552.40
Single Nursing Band Single Room	£581.40	£587.40

*The High Nursing Band rates relate to those service users who are already receiving the high level of FNC prior to 1st October 2007.

Documents In Members' Rooms

None

Background Documents

None