

Health and Adult Social Care OSP

16 February 2011

Response to the tracking resolution 75(1) in respect of the care home sector -

- Clients who are self funding enter into a direct contract with care home owners and we have no way on a micro level of knowing what they charge to their "private customers".
- We have a specific clause in our terms and conditions of contract for care homes which states that self funders should be referred back to the local authority for assessment where they have less than 1 year of private capital to fund their placement .
- Where self funders are referred back to us our social workers will assess and negotiate with care homes to charge Plymouths schedule of rates .
- We carried out a market analysis in 2009 which included reference to cross subsidy .The Lang and Buisson Analysis of the Plymouth market (2009) suggest that most local authorities schedule of rates are close to being adequate for unmodernised care home stock and so cross subsidy may not be an issue .

We have continued to move toward a fairer price for care however we have no leverage to insist that care homes share their fees relating to their private clients . Cross subsidy is difficult to quantify as our experience shows that some care home owners often charge additional costs depending on what they define as "quality criteria" this could be a better view , or a bigger bedroom . Lang and Buisson do not advocate that authorities fund these additional costs .