

PLYMOUTH CITY COUNCIL

Subject:	Recommendations for Residential / Nursing Care Home fee review 2012/2015
Committee:	Cabinet
Date:	14 August 2012
Cabinet Member:	Councillor McDonald
CMT Member:	Carole Burgoyne, Director for People
Author:	Debbie Butcher, Head of Service Strategic Commissioning
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Ref:	Care Home Fee Review FY 2012-15
Key Decision:	Yes
Part:	I

Purpose of the report:

The report makes recommendations regarding the level of fees for residential and nursing care for older people / older people with dementia following a review of care home fees.

Corporate Plan 2012 – 2015:

Reduce Inequality – The proposed fee rates will increase the resource available to the older peoples' care sector.

Provide Value for Communities - The proposed fee rates will reduce impact on 3rd party funding arrangements.

Deliver Growth - By helping home owners develop their businesses to meet growing demand for specialised care.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

The financial impact to the council of implementing the proposals is approximately £840,000.per annum, which has already been identified within existing Adult Social Care baseline budgets for 2012-15

The impact fluctuates and is dependent on numbers of people in care at any one time and income received from Fairer Charging.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

An Equality Impact Assessment has been completed. No adverse impact was identified as a result of this, however contract monitoring arrangements will continue to assess any impacts post contract award.

Recommendations & Reasons for recommended action:

Based on the information provided in the report, the following recommendations are made in order to improve the dignity and quality of the care of older people in care homes.

Recommendation 1

It is recommended that the new fee structure is taken forward.

Recommendation 2

Laing & Buisson (2009) suggests that in order to facilitate an overall improvement in the physical standard of the care home stock, new builds should receive an enhanced rate. Where it is identified that there is a strategic need to develop new homes, it is recommended that care home operators work in partnership with the Council at the earliest opportunity.

Recommendation 3

We recommend that a commissioning plan is developed in consultation with the care home sector, which includes a detailed market analysis and impact of other local and national policy directives on the care home sector.

Recommendation 4

In addition to the above, the Council also wants to help home owners develop their businesses to meet the growing and on going demand for specialised care, for example dementia care. The intention is to set aside a capital fund from which home owners can bid, subject to the Council's capital approval process.

Alternative options considered and reasons for recommended action:

Alternative options, including the option of not awarding an increase to the current fees, were considered but disregarded as unviable.

Background papers:

Market Position Statement- www.plymouth.gov.uk/market_position_statement.pdf

Sign off:

Fin	FAC 1213 002T OCS	Corp Prop	NA	Legal	LT 1517 4	HR	NA	IT	NA	Strategic Proc	JK/S PU/ CP/2 85/0 71
Originating SMT Member: Pam Marsden, Assistant Director for Joint Commissioning and Adult Social Care											
Have you consulted the Cabinet Member(s) named on the report? Yes											

1.0 Overview of the Council's current position

- 1.1 Plymouth commissions approximately 650 residential care homes beds and 150 nursing beds across 69 care home operators. The gross budget in 2011/12 for long and short stay residential and nursing care was £20,534,145.
- 1.2 The majority of people who require care in a care home setting are placed at the fee bandings set by the Council. Social workers are provided with fee bandings to enable them to appropriately advise people requiring care and are supported by procurement officers within the commissioning team when more individualised care arrangements and fee negotiations are required.

As a result of consultation, a revised pricing schedule has been developed to take into account the following criteria:

- Create a new fee structure in agreement with the market in response to the changes in the CQC quality ratings system;
- Improve transparency in fee rates across the sector;
- Care home operators have also asked for a more detailed market position statement in order to inform their business plans and reflect the impact on the sector of the strategic shift to support more people at home or in extra care housing, rather than in residential care.

2.0 Support into to Care Homes – Additional Investment

2.1 It is important to recognise that the Council is committed to supporting and sustaining improvements in the care home sector, however these initiatives are not cost neutral to the Council. We believe that the additional investment in the following initiatives has made a positive impact on quality of care in the local market.

2.2 Initiatives include:

- Dignity in Care Homes Forum
This is a quarterly meeting co-ordinated by commissioners to showcase best practice, facilitate networking of care home operators, commissioners and managers, and consult with the sector around the workforce development priorities for the forthcoming year.
- Hands on support from Care Home Practitioners.
A Care Home Practitioner Team has been established to support care home managers to meet their regulatory requirements and work collaboratively with care home managers to minimise safeguarding and promote good practice. This initiative has been well received by the Care Quality Commission.
- Workforce development initiatives – training programmes.

We have a strong partnership arrangement with local health commissioners in order to provide on site support to care home providers.

We intend to maintain the offer of additional support and networking through the Dignity Forum and other training initiatives as we recognize that the sector finds this a valuable initiative and unique to Plymouth.