

APPENDIX 2: COMPARISON OF FEE LEVELS

Council	Older people	Mental illness/Drug & Alcohol	Dependent older people	Learning difficulties	Highly dependent OP/PD	Nursing (accom & personal care)	Nursing care (older people with MH needs)
Leicester	298	315	352	358	407	369	
Calderdale	359*	377*	-	-	-	492**	
Cheshire East	377	467	-	-	-	433	467
Cheshire West & Chester	363	449	-	-	-	417	449
Herts CC***	372	509	-	-	439	564	623
Kent CC	421	-	-	573	-	-	-
Leics CC ¹	288	304	341	354	404	353	
Oldham	385	-	-	-	-	525•	-
Somerset CC••	310	323	-	417	367	526	-
Telford & Wrekin•••	-	395	-	-	374	377	396
West Sussex CC+	268	-	345	-	419	444	-
Wigan	286	359++	282	339	368	320	-
Wolverhampton++ +	-	323	-	367	359	458	

Notes:

1) * Average for fees for single and shared room.

2) ** Average for fees for single and shared and probably includes NHS element.

- 3) *** Only long stay fees shown. Fees for shared room typically £30 pw lower for non-nursing care, and up to £60 pw with nursing care.
- 4) • Only figure given is for “Intermediate care/nursing.
- 5) •• Figures shown are those fees without quality premium.
- 6) ••• Figures shown are the average across all quality categories.
- 7) + Figures for MH/Drug/Alcohol & LD probably same as Dependent OP, but ambiguity in description.
- 8) ++ Drug/Alcohol dependence is much lower at £298 pw.
- 9) +++ Fee pw for elderly MH is £416, nursing fee (accommodation and personal care element) is for “other” category given in council’s literature.
- 10) Leicestershire County figures are for 2010/11.
- 11) These data can be compared with Laing & Buisson’s EMCARE study where fees per week for personal care only for frail older people would be in the range £450 to £528 per week, and for nursing care for frail older people would in the range £597 to £688 per week.

Dear Sir or Madam

Re: LEICESTER CITY COUNCIL -FUTURE YEAR'S CARE HOME FEES

You will be aware that all public sector organisations, and especially councils, are facing reduced resources during the lifetime of the current Parliament. This places great pressure on all our activities, including paying for those adults living in care homes, and all councils are reviewing budgets in the light of the financial situation.

However, we want to establish jointing working arrangements with providers to enable us and yourselves to get the maximum benefits from working together. Many aspects of social care are changing and there will be opportunities for providers to be part of our modernising service provision to reflect national trends.

You will also be aware that we informed you on 17th August 2011, that the fees we pay to you for placements have been given a 2% increase for this financial year (2011/12) backdated to 4th April 2011.

We are committed to supporting providers of care services from all sectors within our total resources and will be establishing a range of forums and groups to help us to take this forward. Ideally, we would like to establish a clear methodology for considering the annual fees by the 1st April 2012, and beyond. The City Council, has also engaged the Social Care Association to support this work.

A recent meeting has been held with the representatives from EMCARE, who are supportive of the council's approach to developing a clear method for considering fees payable on an annual basis. A report commissioned from Laing & Buisson by EMCARE in 2010, will also be used to support the process.

Our initial approach will be to request a sample number of care home organisations to provide an understanding of their business arrangements, and your organisation has been selected to complete the attached spreadsheets to enable an in-depth analysis of costs to be determined. We appreciate that this request will take some time to complete, but it will enable us to validate the data. All information returned will be treated confidentially and only used in this project to assist with this work.

The council is also committed to a new approach for setting fees for the 2012-13 financial year. We propose to divide the work on setting fees into three phases as follows:

Phase 1

- Asking you to provide information on the cost of running your care home using the attached spreadsheet. There are notes to help complete it. It would be helpful if the spreadsheets could be returned to us by **22-09-2011**.
- Independent representatives from the Social Care Association (SCA) will follow up a sample of returned spreadsheets to ensure consistency.
- The data from the spreadsheets will be analysed collectively to enable us to get a picture of what it is costing to run a care home in the Leicester area. This will be completed by **02-10-11**.
- The council will gather data on fees rates elsewhere.

Phase 2

- A meeting between the council, Voluntary and Community organisations (who also run care homes in Leicester), and independent providers will be arranged and facilitated by SCA professional advisers. The meeting would be held in **mid October**. It will discuss the results from the data exercise, the issues facing all providers (including the council itself as it also runs care homes for the elderly), and the kinds of financial modelling that could be used to inform the setting of fee rates for the next financial year.
- The council will also work on the affordability of different fee rates for the next financial year.

Phase 3

- Work up a costed model based on individuals and buildings etc, possibly using CFC, Laing & Buisson or else using as suitable models the PSSRU stuff from Kent University. This model should include clear costings and parameters to build in high quality care and safety considerations so that they can be used in its commissioning and market management roles. Homes that demonstrably have higher quality and better safety could be “rewarded” by having a higher fee. All the information from phases 2 and 3 will be considered as part of the modelling.
- Informing providers of the outcome of the financial modelling by December 2011.

In using such an approach it does not fetter in any way the future decision of the council as regards care home fee levels it is prepared to pay. However it should ensure we take into the account the impact of any decision on providers, as well as service users, and ensures that we are being open with you on our reasoning about the affordability of prices. It should also ensure that we can set rates that are appropriate to our role of managing the market in the context of the duty to meet eligible assessed needs, and will also document administrative decisions with appropriate recording and communication of the decisions made, and the essential reasons for them.

We would also wish to discuss the other benefits in relation to working together and getting value for money for all of us in the sector. For example, by working together we will develop a joint understanding of the issues facing the council and its care homes providers, foster better working relationships, and identify where we could work jointly together to reduce costs in fields such as staff training, and joint procurement of key supplies like stationery, and white goods.

Thank you in anticipation of your support.

Yours sincerely,

Tracie Rees (Divisional Director - Strategic Commissioning ASC)

LEICESTER CITY COUNCIL CARE HOME FEES

PLENARY SESSION – 27/10/11

DRAFT AGENDA

- 1) Introduction
- 2) Introducing each other around the table (5 minutes).
- 3) What are the key things you would like to see during the next year? (Pat)(5-10 mins).
- 4) Inputs on:
 - National and local pressures & the local market (JP) (7 mins)
 - Council perspective (7mins)
 - How to deliver a personalised approach in a care setting (7mins)followed by exercise (10 mins).
- 5) Input on fee levels from spreadsheet exercise (if sufficient number available), EMCARE's Laing & Buisson, followed by question and answer session (30 mins).
- 6) Feedback to the group on the key priority areas identified based on consensus. This will form the basis of a next steps programme of action between the council and providers (20 mins).
- 7) Working together – making best use of the resources in Leicester (40 mins).
- 8) Final questions and answers (10 mins).

APPENDIX 5

LEICESTER CITY COUNCIL

MEETING WITH INDEPENDENT PROVIDER REPRESENTATIVES

THURSDAY 27TH OCTOBER: VOLUNTARY ACTION CENTRE, LEICESTER

List of participants: to be provided

General:

There were three inputs from (on the issues affecting the provision of adult social care), (on the council's future fiscal position for 2012-13 and the following three years, and (on the fees setting process and the shape of the local and national care markets).

Group session 1

A wide range of key issues were raised and discussed. They were:

- Providers and council need to engage better
- Providers and council need to engage better with the health family
- Communications between the council, care homes, and health needs to be improved (the Royal Pharmaceutical Society study on the transfer of care document was discussed here)
- Residents should have their own choice of GP – though there is a tension here between that and the care homes own GP who are often called in/available
- Participants agreed that trust, honesty, and straightforwardness needs to be developed between the council and the providers
- Participants worried about the lack of community health services available
- The availability of transport for day activities was raised as a concern
- Inconsistencies of assessments between social workers results in differing pay banding of clients, and hence differing fee levels for clients with very similar needs. There was a consensus that it may be better to get rid of banding altogether, and look carefully at the hotel costs of care, compared with the costs of meeting each person's individual special needs
- Joined up paperwork would help reduce the repetition of form filling for different parts of the council
- Risk issues should be looked at carefully – especially those relevant to safeguarding. Often things are noted as a safeguarding issue, when they are a service or contractual issue
- Council and providers should develop a 3 to 5 year strategy to work through changes such as the personalisation agenda, block purchasing/managing/brokering for say respite care, and develop and promote the reality of good residential care together
- Care homes and the council to highlight/commend good care
- Perceptions of what is going on in care homes differ between social workers, managers, and the homes themselves. Sometimes this can lead to tensions. Perhaps a conflict resolution mechanism could be developed together?

- Work needs to be done jointly at the cost of running homes at a deficit or “profit” to change perceptions that providers are making money out of public funds. It was noted that often it is forgotten that privately paying residents do not expect the council to know what is in effect their own business, nor do they expect to subsidise bed spaces being paid for by the council
- Both parties need to recognise the true hours worked by key staff (eg the Registered Manager)
- Need to identify what is a “legitimate” bureaucratic burden, and what is not

This session’s main theme is best summed up in the question “How do all the homes and the council link up and work better together on the whole range of issues above?”

Group session 2

This session started to look forward. The topics identified and discussed were:

- Feedback from the panel as to funding decisions around individuals should be developed in future – would it be from the Head of Service?
- “Demystification” of panel mechanisms would help – ie explain to care homes what is happening, and when
- Develop input from care homes into panel processes on individual cases
- Look at what happens when residents “move on” (eg because of funding issues or because of changing needs)
- Examine thoroughly the role of “top ups” and “add ons” in the funding of individual care
- Jointly develop ideas to save money
- Examine how to start managing expectations of the council, those of care homes, and those of the individuals
- Information about how homes managers and providers are feeling with the pressure and demands being placed upon them for example, paperwork, safeguarding, visits from council officers.

Development of initial key actions

Key actions were agreed as a priority for the next few months. They are:

- Council Officers need to be accountable. A protocol should be developed for visits to care homes, including behaviours and a code of conduct, and also mechanisms developed for reporting.
- Shadowing opportunities should be developed so each side can gain an understanding of how the other side works
- Both sides (and particularly the council) should listen first, then seek to understand, instead of just wading in – everything becomes a reactive approach which often does not reflective partnership working.
- Wherever possible, there should be a continuity of council case worker for each care home resident, and if need be, an orderly handover to a new case worker
- A list of phone numbers and email addresses of relevant council staff should be made available to care homes
- Care homes should feedback to managers if they have concerns about how they are being treated.

- Care homes to know their business and to be clear about the quality of care they are providing and should be confident to engage in discussion with the council about this. Providers should help develop any new systems that directly affect them (e.g. a new Quality Assessment Framework - QAF) to avoid duplication of what CQC does.
- Could a QAF be based on an enhancement of CQC's essential standards – or should CQCs be used – period? Joint working on this will help resolve the issues. Concerns were expressed about the demands this will place on homes and how a simpler system could be used.
- Could social workers use a web based booking system on vacant bed/place availability to help them in the placement process, instead of relying on the weekly ring round, or hearsay? Joint work on developing a web based system
- Council to use intelligence from care homes as an input from care homes to aid service development

**LEICESTER CITY COUNCIL:
FEES SETTING PROCESS
2011-12**

14 October 2011

LEICESTER CITY COUNCIL: FEES SETTING PROCESS 2011-12

- Council facing much reduced resources during next 4 years
- Overall volume of money for councils reduced by c.28%
- Leicester City Council's budget reducing by c. x% in 2011-12: y% in 2012-13
- Establish jointing working arrangements with providers to enable maximum benefits from working together
- Placements fees given a 2% increase for 2011-12.



LEICESTER CITY COUNCIL: FEES SETTING PROCESS 2011-12

- Committed to supporting providers of care services from all sectors
- Establishing a range of forums and groups to help take important issue forward
- Like to establish a clear methodology for considering the annual fees by the 1st April 2012, and beyond
- The City Council, has also engaged the Social Care Association to support this work.



LEICESTER CITY COUNCIL: FEES SETTING PROCESS 2011-12

- Recent meeting with EMCARE supportive of approach
- Report commissioned from Laing & Buisson by EMCARE in 2010, used to support the process
- Also asked c 50 homes chosen at random to complete spreadsheet on costs
- Disappointing response
- Now seeking information with simpler form



LEICESTER CITY COUNCIL: FEES SETTING PROCESS 2011-12

- Council also analysing data on fees paid to help understand the local market
- SCA looking at fee rates paid by other councils
- Plenary sessions to be held on 27th October to discuss & develop joint working
- Work up joint action plan to develop future approach and help set fees for future years
- Ensure delivery of personalised service within current constraints



LEICESTER CITY COUNCIL: FEES SETTING PROCESS 2011-12

- Use all data to help build a model on cost of care
- Critical thing is that all parties engage and share information
- SCA will act as independent and impartial adviser

