



Somerset County Council
Scrutiny for Policies, Adults and Health
Committee

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Fair Cost of Care Update

Lead Officer: Tim Baverstock, Strategic Manager – Commissioning - Adult Social Care

Authors: Tim Baverstock

Contact Details: tdbaverstock@somerset.gov.uk

Cabinet Member: David Huxtable, Cabinet Member for Adult Social Care

Division and Local Member: All

Background

The Fair Cost of Care exercise, relating to fee levels for 2018-19, was commissioned by Somerset County Council (SCC) to reflect the actual cost of care in the local market. The last time SCC conducted such an exercise was 2013 and since then a number of key factors have changed as have market conditions and the care landscape.

SCC commissioned Valuing Care Ltd to carry out this piece of work in order that it would be independent of the local authority and given their significant experience in this area, having done similar exercises elsewhere. Valuing Care were asked to look at the two key care areas:

-Care at Home fees including reablement

-Care Home fees

Decision

Somerset County Council care at home fees

SCC implemented a higher rate than recommended for Care at Home and less of a differential to the reablement rate:

Care at Home £18.00

Reablement £19.00

This was a rise of 7.5% for the basic homecare rate and was estimated to cost circa £3m. Funding for this and other fee rises was via the ASC precept and the Better Care Fund.

Somerset County Council options for Care Home fees



We recommended a significant uplift for 2018/19 leading to the following rates:

Standard Residential	£507.13 (Current SCC rate £472)
Specialised Residential Care	£565.49 (Current SCC rate £536)
General Nursing (incl FNC)	£674.23 (Current SCC rate £647)
OPMH Nursing (incl FNC)	£707.29 (Current SCC rate £678)

This was equivalent to between 4.5% and 7.5% and had an impact of £3.4m for SCC in 2018/19. The largest rise was in residential care, recognising the current residents of those services have increasing complex needs and that cost of care had not kept pace.

Learning Disability Services

LD support was explicitly excluded from the Fair Cost of Care review, as it was recognised that there are structural differences to homecare, specifically around the travel and non-contact time requirements and that residential and supported living models are very different. During 2018/19 we have implemented the Care Funding Calculator to fairly benchmark individual package costs (new and old) across providers

Update

The rises in homecare and reablement rates were welcomed by the sector and provided some stability to a very fragile provider market. As we look to ensure that more people can remain at home for longer, the availability and quality of provision to provide care at home is crucial and is a sector we should invest in.

Whilst we were able to maintain provision in the county, the rise in rates did not result in a significant rise in availability of additional care or care staff. This is indicative of the current workforce shortages and the limited market for carers. It is not simply a cost issue. Some rural areas remain a challenge, particularly in relation to shorter half hour visits.

In the Care Home sector, the rises were also welcomed and have enabled those in residential care to be funded appropriately whilst upskilling in particular with regard to managing dementia effectively. As you should be aware, we have an oversupply



of care home beds in Somerset and thus the cost paid does not relate to availability, however we must fund existing and new residents appropriately for their needs.

We have seen some home closures in 2018/19 but these were due to various reasons, including quality, vacancy levels and staffing issues.

Quality levels have exceeded expectations this year with 90%+ of providers rated good or above and no inadequate providers at the time of writing.

The 2018/19 process for the cost of care has been carried forward to the 2019/20 work and we have already met with the sector four times with the intention of early notification of budget decisions in January 2019 to help with their planning processes.