

APPENDIX 1

OFFICER DECISION RECORD 1 FORM

This form should be used to record Officer Decisions in Excess of £100k (but below the key decision threshold), or where required by Financial, Contract or other Procedure Rules or following formal delegation from Cabinet or a Cabinet Member or a Council Committee.

Decision Reference No: AHWB.009.2021 2021/2022 Supported Living Provider Care Fee Increases

BOX 1

DIRECTORATE: AHWB

DATE: 02.03.2021

Contact Name: Kathryn Anderson- Tel. No: 737013 / 737859

Bratt and Paul Williams

Subject Matter: 2021/2022 Provider Care Fee Increases.

BOX 2

DECISION TAKEN

1. To increase the provider care fees as set out in the following table:

Category	Description	Current Fee 2020/21 £	Proposed Inflation 2021/22 %	Proposed Fee 2021/22 £
Supported Living	Supported Living - Day & Night – hourly rate	Various	Various	Various

The above increases for Supported Living rates will be implemented to financially assess client contributions.

BOX 3

REASON FOR THE DECISION

Care fees are reviewed annually as part of the budget setting process (and in accordance with service specific contractual obligations as appropriate) to reflect inflationary pressures in line with the Care Act 2014 'Support Statutory Guidance' which specifically requires Local Authorities to:

- Reflect a fair cost of care in fee setting, and not to set arbitrary or unsustainable fees.
- Enable providers to pay at least the national minimum/living wage.
- Understand the business environment and risks faced by providers.

For 2021/2022, the key inflationary factors effecting care provider costs are –

- The National Living Wage (for adults 25 or over) increasing by 2.18% to £8.91 per hour with effect from April 2021.
- The Consumer Price Index (CPI) 12-month rate was 0.5% in September 2020.

The Council has liaised with the CCG colleagues in considering the 2021/2022 fee proposals, considering that some care packages are jointly funded.

The proposals contained in this ODR enable the Council to fulfil its Care Act responsibilities in relation to market stability and ensure adequate and appropriate service provision.

Supported Living

There are currently five contracted providers of Supported Living services for AHWb (Adults Health and Wellbeing), each having separately contracted hourly rates. The contracts state that these will be reviewed annually each April to take into account changes in National Living Wage and CPI. This year a consultation process has been undertaken with the providers to take into account their views when setting the rates for 2021/22

The uplift proposed takes into account the National Living Wage increasing from April 2021 and CPI increases as identified above. Inflation for staffing elements was previously a combination of National Living Wage and CPI. Therefore increasing to the £8.91 per hour National Living Wage for all staffing elements results in an actual inflationary increase of 2.51% overall as some elements were previously below this rate.

BOX 4

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

The option to not increase the fees was considered but was not recommended due to true unavoidable increasing provider costs being recognised.

Recommended option is to inflate the fees based on contracts, to take account of the National Living Wage and CPI inflation, and to continue to support our partners in delivering quality services.

BOX 5

LEGAL IMPLICATIONS

Section 1 of the Localism Act 2011 provides the Council with a general power of competence, allowing the Council to do anything that individuals generally may do.

The Care Act 2014 obligates the Council to meet the eligible needs for care and support of its population in accommodation in a care home or by providing care and support to those individuals in their home or in the community. The Council can provide these services themselves or arrange for someone else other than it to provide the service.

When setting the fee to be paid for these services the Council must follow statutory guidance which includes:

- Ensuring contract terms, conditions and fee levels are appropriate to allow providers to deliver care with the agreed quality whilst allowing them to meet statutory obligations to pay at least the national minimum wage.
- Understanding the business environment of the providers offering services in their area and seeking to work with them facing challenges and understand their risks.
- Not undertaking any actions which may threaten the sustainability of the market.
- Having regard to the actual cost of good quality care and not set arbitrary amounts or ceilings for particular types of accommodation that do not reflect a fair cost of care.

Furthermore there must be full consultation before reaching the decision regarding the fees and due regard paid to the actual costs of care.

The decision maker must also comply with the public sector equality duty pursuant to section 149 Equality Act 2010 when reaching decision regarding fees in terms of considering the need to promote equality for persons with “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation and have due regard to eliminate discrimination, harassment, and victimisation, advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and those who do not share it.

In order to do this the decision maker will need to have sufficient information about the effects of the proposed changes on the aims of the equality duty. The Equalities Implication section (paragraph 8 below) is designed to assist with compliance with this duty and so the decision maker must take that into consideration and the public sector equality duty before taking the decision.

Legal Services to assist with documenting revised rates between the contracting parties.

Name: Paula Coleman Signature: By e-mail Date: 4th March 2021
Signature of Assistant Director of Legal and Democratic Services (or representative)

BOX 6

FINANCIAL IMPLICATIONS:

The purpose of this ODR is to agree the annual uplift of provider care fees. The Council's proposed budget for 2021/2022 includes an allocation of £1.5m towards price inflation for Adults, Health and Wellbeing directorate. The proposed care fee uplifts have all been costed and will be managed within that allocation.

Client Contributions will be charged against the rates included in this report in accordance with the Council's 'Charging and Financial Assessment for Adult Social Care and Support' policy

Name: Paul Williams Signature: By Email Date: 03/03/2021
Signature of Assistant Director of Finance & Performance
(or representative)

BOX 7

OTHER RELEVANT IMPLICATIONS

N/A

Name: _____ Signature: _____ Date: _____

Signature of Assistant Director (or representative)

ANY IMPLICATIONS SENT TO DEPARTMENTS SHOULD GENERALLY BE SUBMITTED AT LEAST 5 WORKING DAYS IN ADVANCE TO ENSURE THESE CAN BE GIVEN THE RELEVANT CONSIDERATION.

BOX 8

EQUALITY IMPLICATIONS: (To be completed by the author).

The Council must consider and have due regard to the three aims of the general equality duty when developing and implementing its budget and changes to care fees.

The Council will ensure it makes fair and informed financial decisions, demonstrating its commitment to improving outcomes for the most vulnerable groups of people living in Doncaster. The Council uses a simple due regard process to ensure due regard is considered and to support a transparent, effective process that is accountable to users and residents.

The care fee proposals therefore require a due regard assessment prior to implementation. The inflationary increases proposed in this report are being applied to all placements and are not inequitable to any protected groups. Client contributions are charged in accordance with the Council's 'Charging and Financial Assessment for Adult Care and Support' policy. The policy ensures that people are only required to pay what they can afford towards their care and support, and people are entitled to financial support based on a means-test.

Due regard has also been considered in relation to the service being provided i.e. the Homecare Service received by service users.

BOX 9

RISK IMPLICATIONS: (To be completed by the author)

The risks relating to this ODR are twofold:

Potential market destabilisation and sustainability risks arising from not recognising and mitigating unavoidable provider inflationary costs pressures particularly in respect of staffing (National Living Wage).

Non-compliance with statutory legislation (Care Act 2014) requiring Councils to ensure that fee levels are appropriate to allow providers to deliver care with the agreed quality whilst allowing for them to meet statutory obligations to pay at least the national minimum wage and not undertaking any actions which may threaten the sustainability of the market.

BOX 10**CONSULTATION**

A four week consultation has been carried out with Supported Living providers in Doncaster. The document that set out the consultation proposals is attached as Appendix One. A summary of feedback from providers with responses to substantive points from the Council and the CCG is attached as Appendix Two.

Consultation feedback from providers resulted in a change to 2021-22 fee rates. Provider feedback was accepted on the point of applying National Living Wage uplift to a broader range of costs.

BOX 11**INFORMATION NOT FOR PUBLICATION**

In accordance with the Freedom of Information Act 2000, it is in the Public's interests for this decision record to be published in full, redacting only the signatures. Of Appendix 1, paragraphs

2.2 & 3.3 have been redacted. The first paragraph of Appendix 2 has one sentence redacted, as this is deemed as commercially sensitive.

Name: Gillian Parker Signature by email Date: 04/03/2021
Signature of FOI Lead Officer for service area where ODR originates

BOX 12
BACKGROUND PAPERS

Please confirm if any Background Papers are included with this ODR YES

(If YES please list and submit these with this form)

Appendix One: Consultation Document

Appendix Two: Consultation Feedback and Response

BOX 13
AUTHORISATION

Name: Phil Holmes Signature :  Date: 12/03/2021

Director of Adults, Health and Wellbeing (DASS)

Does this decision require authorisation by the Chief Financial Officer or other Officer

YES

If yes please authorise below:

Name: Debbie Hogg Signature:  Date: 16/03/2021

Director of Corporate Resources

Consultation with Relevant Member(s)

Name Councillor Rachael Blake Signature:  Date: 16/03/2021

Portfolio holder for Adult Social Care

Declaration of Interest NO

If YES please give details below:

PLEASE NOTE THIS FORM WILL BE PUBLISHED ON THE COUNCIL'S WEBSITE IN FULL UNLESS IT CONTAINS EXEMPT OR CONFIDENTIAL INFORMATION.

Once completed a PDF copy of this form and any relevant background papers should be forwarded to Governance Services at Democratic.Services@doncaster.gov.uk who will arrange publication.

It is the responsibility of the decision taker to clearly identify any information that is confidential or exempt and should be redacted before publication.

Appendix One: Consultation Document

Supported Living Services Fee Setting 2021/2022

Consultation Document – 18.01.2021

1. Proposed approach, stages and timescales

- 1.1 Doncaster Council and Doncaster Clinical Commissioning Group (CCG) need to make decisions about fee rates for the new financial year from April 2021 to March 2022.
- 1.2 There will be three stages to this:
 - The initiation and conclusion of formal consultation with all providers in Doncaster within scope on the basis of proposals for 2021-2022 fee rates drawn up by the Council and CCG. This will run between **5pm on Thursday 21st January 2021 and conclude at 5pm on Thursday 18th February 2021**. Any responses received after this date / time will not be considered.
 - A decision-making stage incorporating full consideration of all consultation feedback by the Council and CCG. This will follow appropriate governance within the constitutions of both the Council and the CCG. For the Council this will involve the Lead Cabinet Member for Adult Social Care. This will conclude **on Tuesday 2nd March 2021**
 - An implementation stage when decisions and justifications are communicated to care home providers and arrangements put in place to pay revised fees. This will be **on Wednesday 3rd March 2021**
- 1.3 The Council is required by law to set a balanced budget for each financial year. This will be agreed by full Council in March 2021 for the financial year running from April 2021 to March 2022. Therefore this overall process must be concluded in line with the timescale above.
- 1.4 There will also be consideration of consultation feedback about any additional financial provision that providers suggest is still necessary in 2020-21 to cover increased Covid costs that have not been picked up by Government grants.
- 1.5 Decision-making is the preserve of the Council and CCG. The above process is intended to ensure that feedback from providers is fully taken into account and decisions made are on a robust and lawful basis.

2. Fee Setting in 2020/2021

2.1 During 2020 the Council and CCG completed the fee setting exercise through the Cabinet approval process. This concluded with providers being awarded a higher than inflationary increase to take into account of:

- Financial stability of providers - the uplift recognised the costs pressures arising from general inflation (National Living Wage and Consumer Price Index inflation) and also provided a standardised cost basis approach that built up the hourly rate for each provider.
- The ability of providers to support the delivery of both the Doncaster Growing Together Housing (Homes for All) Programme and Doncaster's Learning Disability and Autism Strategy housing work stream by providing support options to enable the range of accommodation solutions being pursued including greater use of existing 'ordinary' housing stock through to bespoke new build 'specialist' housing schemes where such provision is appropriate to meet the needs and aspirations of individuals.

2.2



d
s

3. Proposed Inflationary Increase

3.1 The Council and CCG propose to inflate base costs by the nationally recognised metric CPI for September 2020 confirmed in October 2020

3.2 The Council and CCG will apply National Living Wage increase to staffing costs as calculated within the 2019-2020 base fee to ensure providers are able to continue to retain appropriate differentials between staff groups that reflect their seniority.

3.3



3.4 Consultation responses are invited on the proposal set out in 3.3. Consultation responses may wish to pick up the base rate as well as the inflationary proposal. The way the Council will seek to understand and challenge to the base rate is via open-book accounting.

3.5 Additional Covid-related costs are covered in the section below and are not incorporated in the above exercise.

4. Financial Support to the Market – Covid Response

4.1 During the financial year 2020-2021 the Council have put in place mechanisms to support the sector to respond to the demands of the Covid response.

- **Supplier Relief Scheme**

- **Advance Payments**

- 4.2 The Supplier Relief scheme ran between April and October 2020. The Council is seeking feedback to understand any pressing cases for financial relief that covers the period from November 2020 to the end of March 2021.
- 4.3 In addition to the above measure the supported living market has also seen additional monies provided to support Infection Prevention and Control measures during the response to Covid. The Doncaster supported living providers have been allocated £229,692 over two grants paid in June 2020 and November 2020. The first of these grants in June 2020 was not mandatory but the Council made the decision to support the supported living providers due to the critical nature of the services provided to the vulnerable population in Doncaster.
- 4.4 Providers were supported with additional PPE costs through the Supplier Relief scheme referenced in 5.1; in addition to this, the Government has put in place access to free PPE through the Clipper scheme from June 2020 onwards. Providers have been encouraged to access the clipper scheme to reduce the impact of the Covid response on their financial viability.

5. Conclusion

- 5.1 Providers are welcome to make comment on all matters outlined above specifically those set out in points 3.3 and 4.2.
 - 5.1.1. Representations are welcome from all supported living providers either through collective representations or individually. All representations will be duly considered.
 - 5.1.2. The Council and CCG will make every effort to accommodate meetings although providers will appreciate these meetings will need to be undertaken virtually whilst the Covid response is ongoing. This planned contact will ensure clear and respectful communication throughout the consultation period.

Appendix Two: Consultation Feedback and Response

Feedback Received	
	



<p>Sleep-in rates:</p> <p>As no breakdown has been provided, or the rationale behind the National Insurance calculation amendment, it is difficult to comment on the proposed 6.8% increase. It should be noted that we continue to pay NLW for all sleep in's.</p>	<p>Our sleep-in rates are also based on those that providers tendered, and inflated year on year via appropriate indices. We review the calculations each year and try to eradicate any discrepancies or inconsistencies found across the various SLS provider rates as we did on the 20/21 rates. For the 21/22 sleep in rates we applied inflation against basic staff cost element and then add to that an additional % for the following (NI 13.8%, pension 3%, Holiday pay 10.08% & Apprentice Levy 0.5%) except in particular cases where original contract stipulated differently</p>
<p>Supplier Relief Scheme / Covid Costs:</p> <p>We note your proposal to extend the Supplier Relief Scheme until March 21. This extension is appreciated and gives us some comfort that any costs in addition to those we can claim against the various government grants can be applied for from yourselves.</p> <p>We have raised a number of times with the authority that we are now overspent on our allocation of the Infection Control Grant and have therefore asked for additional financial support; the authority may choose to either provide additional ICG funds if these are available, or support our request for funding through the Supplier Relief Fund. We would welcome a discussion with the authority to be able to determine the best course of action.</p>	<p>At the Council's meeting with Supported Living providers on 5th February 2021 it was confirmed that the DHSC Workforce Grant should be fully utilised by providers for additional costs that were consistent with the Infection Control Grant if this funding had been exhausted. Subsequently the Council asked providers to submit bids for the DHSC Workforce Grant and received a strong response. The Supplier Relief Scheme remains operational for any claims that providers wish to make.</p>
<p>It was useful and transparent to see benchmarking against other authorities, however noted as a national provider, Doncaster rates are on the lower end (if not the lowest) of the comparisons. It would be useful to understand the Council's response to this, and any plans going forward to address this bench marking exercise</p>	<p>The Council provided benchmarking information for reasons of transparency. As already mentioned, Doncaster's Supported Living providers tendered at chosen rates at the beginning of the current contract. The Council will seek dialogue with providers ahead of any future tender as part of "soft market testing" to help with both quality criteria and pricing strategy for future opportunities.</p>