



Author/Lead Officer of Report: Joe Horobin –
Head of Commissioning

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Report of: *John Macilwraith, Executive Director of People Services*
Report to: *Cabinet*
Date of Decision: *17th March 2021*
Subject: *Maintaining a stable adult social care market in Sheffield*

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| Is this a Key Decision? If Yes, reason Key Decision:- | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| - Expenditure and/or savings over £500,000 | <input checked="" type="checkbox"/> | |
| - Affects 2 or more Wards | <input checked="" type="checkbox"/> | |
| Which Cabinet Member Portfolio does this relate to? <i>Health and Social Care and Children, Young People and Families</i> | | |
| Which Scrutiny and Policy Development Committee does this relate to? <i>Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee (Summary of Market Analysis and Fee Review Process presented on 10th February 2021)</i> | | |
| Has an Equality Impact Assessment (EIA) been undertaken? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| If YES, what EIA reference number has it been given? <i>883</i> | | |
| Does the report contain confidential or exempt information? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:- <i>N/A</i> | | |

Purpose of Report:

The purpose of this report is to seek approval for the recommended increases in fee rates for Council contracted and framework independent sector care homes, home care, extra care, supported living and day activity providers in Sheffield for the financial year 2021-22. The report also seeks approval for the recommended increase in Direct Payments for people who choose this means of arranging their own care and support. This report sets out the process that the Council has followed and the analysis that informs the recommended fee rates to ensure a sustainable, quality and diverse social care market.

Recommendations:

1. Approves the investment of an additional £4.2m for care providers delivering care on behalf of the Council to deliver enhanced pay terms for front line workers in 2021/22. This investment has been allocated equitably as a 5.66% increase to the staffing element of the fee rates (above the minimum wage increase of 2.18%) for each of the sectors as set out in the following recommendations:
2. Approves an increase to the fee rate for day activities and standard rate care homes of 4.89% including the additional investment in staffing as set out at recommendation 1 above.
3. Approves an increase to the fee rates for home care, extra care (care element only), and supported living on the Council's standard contracted and framework rate and to direct payment providers of 4.99% including the additional investment in staffing as set out at recommendation 1 above.
4. Approves an increase for non-standard residential care rates that are individually negotiated and for council arranged respite care of 1.9% subject to contractual compliance.
5. Approves an increase to the personal assistant rates used by people in receipt of a direct payment of 5.66% based on the additional investment in staffing as set out at recommendation 1 above.
6. Delegates authority to the Executive Director of People in consultation with the Director of Adult Health and Social Care and the Director of Strategy and Commissioning and the Cabinet Member for Children, Young People and Families and Cabinet member for Health and Social Care to agree any appropriate and proportionate fee increases requested by care homes outside Sheffield because cost pressures will vary from place to place.
7. Delegates authority to the Executive Director of People in consultation with the Director of Adult Health and Social Care and the Cabinet Member for Children, Young People and Families and Cabinet Member for Health and Social Care to take all other necessary steps not covered by existing delegations to achieve the outcomes outlined in this report.

| Lead Officer to complete:- | | |
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| 1 | I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required. | Finance: <i>Liz Gough</i> |
| | | Legal: <i>Steve Eccleston</i> |
| | | Equalities: <i>Ed Sexton</i> |
| <i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i> | | |
| 2 | EMT member who approved submission: | <i>John Macilwraith</i> |

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| 3 | Cabinet Member consulted: | <i>Cllr George Lindars-Hammond Cllr Jackie Drayton</i> |
| 4 | I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1. | |
| Lead Officer Name: Joe Horobin | | Job Title: Head of Commissioning |
| Date: 05/03/2021 | | |

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| 1. | PROPOSAL |
| 1.1. | <p>It is proposed that the Council will:</p> <p>Provide a 4.89% increase in the fee rate for all standard rate placements in residential and nursing homes that reflects additional investment in staffing above the National Living Wage increase and additional investment above the Consumer Price Index for non-staffing costs. This increase reflects the market analysis and consultation with providers as described in this report and detailed in the appendices.</p> |
| 1.2. | <p>Provide a 4.99% increase in the fee rate for home care, supported living, day activities, direct payment activity spend and extra care (care hours element) that reflects additional investment in staffing above the National Living Wage increase and in line with the Consumer Price Index for non-staffing costs.</p> |
| 1.3. | <p>Provide a 5.6% increase in the rate for Personal Assistants paid for by a direct payment that reflects additional investment in staffing above the National Living Wage.</p> |
| 1.4. | <p>Provide a 1.9% increase to non-standard residential care and council-arranged respite care that reflects National Living Wage and Consumer Price Index. This increase is to be applied to individually negotiated fee rates with providers of non-standard residential care and respite care subject to contractual compliance.</p> |
| 1.5. | <p>It is proposed that these rates take effect from 12th April 2021</p> |
| 1.6. | <p>The following report ensures that the proposals:</p> |
| 1.6.1. | <p>Are informed by consultation with local social care providers.</p> |
| 1.6.2. | <p>Are informed by analysis of local, regional and national evidence.</p> |
| 1.6.3. | <p>Are informed, in the case of standard rate care homes, by the future demand analysis work commissioned by the Council.</p> |
| 1.6.4. | <p>Are informed, in the case of standard rate care homes, by the Strategic Review of Older People's Care Homes led by the Council in partnership with the Sheffield Clinical Commissioning Group and supported by independent consultants, Cordisbright and LaingBuisson. The review has fully involved providers in the city in reviewing and shaping recommendations for the future of older people's care provision in the city.</p> |
| 1.6.5. | <p>Meet the Council's legal responsibilities by being sufficient to support assessed care needs and to provide residents with the level of care services that they could reasonably expect to receive if the possibility of resident and third party contributions did not exist.</p> |
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| 2. | HOW DOES THIS DECISION CONTRIBUTE? |
| 2.1. | <p><i>This decision seeks to ensure that funding arrangements for framework, and individually contracted rate fees and direct payments are aligned with inflationary cost increases to mitigate the risk of market failure and to maintain and improve the care and support experience of care home residents and people receiving extra care, day activities, home care, supported living, respite care and Direct Payments in Sheffield. The Council expects that ensuring the fee rates meet the cost of delivering care in Sheffield will enable providers to work with us to develop innovative and efficient ways to support people in the city.</i></p> <p><i>The Council expects that the additional investment of £4.2m (on top of the minimum wage and CPI based increase) of Council funds into the sector will directly increase the salaries of staff working on the front line of care delivery.</i></p> <p><i>The Council is committed to engaging and working with care providers to drive our shared ambition to raise pay and conditions. The Council will work with the care market to bring forward further support and changes to our commissioning and contracting that deliver on our strategic direction for adult social care and ensure a sustainable and quality market that delivers our ambitions for improved pay for the care workforce in Sheffield.</i></p> |
| 2.2. | <p><i>The proposals have been developed in consultation with social care providers. It seeks to balance the need to support providers in maintaining good quality care for people and acceptable working conditions for staff, alongside affordability for the Council in light of other pressures in Adult Social Care. Chief among these is the increased demand the Council is experiencing in relation to the COVID-19 pandemic.</i></p> |

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| 3. | HAS THERE BEEN ANY CONSULTATION? |
| 3.1. | <p>The Council has consulted with care homes and with framework home care and supported living providers on the standard rate for these sectors. Independent consultants have also conducted a review of the older people's care home market and a future demand analysis of this sector using publicly available data.</p> <p>Day activities provision has not previously been included in the annual market analysis and fees review however a number of providers have had fee rates amended via the Value for Money and</p> |

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| | <p>Quality uplift request process in the last 18 months meaning that the current fee rates are deemed to reflect the cost of care delivery for each provider. The last year has seen the development of a proactive commissioning approach to this sector despite the huge impact on providers of the pandemic and ongoing lock down restrictions. Given the specific volatility of this market currently it is recommended that a fee increase be proposed this year with a view to carrying out detailed consultation with the market over the next year on a longer term procurement and funding strategy for the sector.</p> <p>Respite provision for people with learning disabilities has not previously been included in the annual market analysis and fees review. The current market is mixed, with 6 providers, 3 of whom provide a service within a residential setting, the other 3 using a Supported Living model. The arrangements for payments are also varied with 2 providers as Council Arranged Services and 4 providers paid via Direct Payments. All 6 providers are registered as non-standard short-term residential services.</p> <p>A review of respite services and consultation will be undertaken over the next 12 months to gain a greater understanding of this very varied provision.</p> <p>Direct Payments have also previously been outside the scope of the annual market analysis and fees review. The last year has seen the development of a coproduced programme of improvements to the Council's approach to direct payments and supporting people who wish to use this flexible approach to managing their own care and support. It is therefore recommended that an increase to the direct payment rate be proposed this year based on the work of this project, which has fully involved people who use Direct Payments, and the input of a range of people engaged in this as well as the feedback from providers from the consultations on homecare and supported living.</p> |
| 3.2. | <p>Provider consultation on initial proposed fee rate: The Council wrote to care home, supported living and home care providers with an initial proposed fee rate increase. The letter was sent to providers on 1st December for them to consider and provide feedback on. Providers were able to provide feedback by several channels including by return email or letter, via an online Citizen Space survey or via Zoom consultation sessions. Consultation sessions were held during this formal consultation period with home care, supported living and care home providers in December and January to provide opportunities for providers to feedback directly to senior Council officers and the Cabinet Member for Health and Social Care.</p> <p>The Council's initial proposed fee rate for care homes, home care and supported living was calculated, in line with previous years,</p> |

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| | <p>using the increase in the national minimum wage of 2.18% and September 2020 Consumer Price Index (CPI) increase of 1.2%. The minimum wage increase and the CPI increase are weighted by the ratio of staffing to non-staffing spend for each type of provision. For care homes this resulted in a proposed increase of 1.9% and for supported living and home care a proposed increase of 2.03%.</p> <p>The summarised consultation feedback and market analysis can be seen below and the more detailed consultation report and analysis is attached at Appendix 1.</p> <p>A report setting out the process and methodology for setting and increasing the fee rate and for the market analysis and consultation that informs the fee recommendations was also presented to the Scrutiny Board on 10th February (https://democracy.sheffield.gov.uk/ieListDocuments.aspx?CId=137&MId=7687&Ver=4). The feedback from Scrutiny is also outlined below.</p> |
| 3.3. | <p>Independent Consultancy Reports: The future demand report from Kingsbury Hill Fox and the interim provider engagement report from Cordisbright & LaingBuisson have also informed the analysis behind the final fee recommendations. Reports are attached as Appendices 2 and 3.</p> |
| 3.4. | <p>Evidence of Care Costs: Providers were also encouraged to provide any supporting information regarding costs and pressures during this first stage. This is also described more fully below and in the consultation report attached at Appendix 1.</p> |

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| 3.5. | <p>Strategic Review of Older People’s Care Homes: The Council committed (Cabinet 18th March 2020) to undertake a strategic review of the older people’s care home market in the city. Unfortunately, the pandemic meant that the start date for this work had to be put back to October 2020 (instead of April) while the Council and the care sector responded to the immediate impact of the pandemic in social care. External consultants, Cordisbright in partnership with LangBuisson, were commissioned in October to undertake the strategic review of the older peoples care home market on behalf of the Council and in consultation with other key stakeholders in the health and social care system.</p> <p>The strategic review is due to report in late March with medium to long term recommendations for the future shape of the care home market and support models for older people. An interim report based on the consultants’ interviews with a significant proportion of the care home market has informed the market analysis and the fee rates recommended in this paper. This is also described more fully in the consultation report attached at Appendix 2.</p> |
| 3.6. | <p>Demand Analysis: Kingsbury Hill Fox were also commissioned by the Council to undertake data based analysis of future demand for older people’s care home beds in the city. Sheffield Care Association had input into the specification for this work. The report produced is described below and in the consultation report at Appendix 1. The report is attached at Appendix 3.</p> |
| 3.7. | <p>Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee: The minutes of this public meeting on 10th February 2021 are included in the appendix. The key resolutions identified by the Scrutiny Committee were:</p> <ul style="list-style-type: none"> • Notes the proposal set out in the paper • Calls on government to urgently respond to the national funding crisis in adult social care • Recognises the difficulties that care providers in the city are facing • Will schedule a future look at the full strategic framework for Adult Social Care as soon as is appropriate • Would like to see a wider range of stakeholders involved in the consultation process in future years including trade unions and service users. |
| 3.8. | <p>Overall summary of provider consultation feedback</p> |
| | <p>The key issue raised by providers across all types of care provision were the impacts and pressures caused by the ongoing effects of the pandemic. The pandemic continues to place significant pressure on providers in terms of additional costs relating to infection control measures, staff sickness and changes in demand for care. These impacts vary for each type of care and are set out in more detail in the appendix.</p> |

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| | <p>Providers also told us about other challenges and pressures which impact on their costs and which aligned with the feedback received in previous consultations with the sectors</p> <ul style="list-style-type: none"> • Challenges they face of recruiting and retaining good quality care staff • Their ambition to move towards paying the foundation living wage • Some non-staffing costs increasing by more than the CPI rate of 1.2% used to model the fee rate e.g. energy, training, insurance and cleaning contracts. • A large number of respondents were keen to highlight their appreciation for the support they have received from Sheffield City Council during the pandemic. |
| 3.9. | Older Adult and Standard Rate Care Homes Consultation Feedback Summary |
| 3.9.1. | <p>22 providers completed the online survey in response to the fee proposal letter sent in December. 15 providers attended the online engagement sessions in January 2021.</p> <p>9 providers (representing 22 homes in the city) submitted financial and costings information. These represented 22.65% of the nursing and dual registration bed base in the city and 31.3% of the residential care home bed base. The issues raised in the consultation are provided at section 3.9.3</p> |
| 3.9.2. | <p>The Sheffield Care Association (SCA). The SCA has submitted three letters since the start of the consultation period. The SCA was formed by a group of care homes in 2018 to represent the older adults care home sector in the city. The Council welcomes the opportunity to engage with a representative body and work in partnership with all providers in the city with regards to development of the sector and the Council's relationship with care homes. The themes and concerns raised by the SCA are set out more fully in the consultation report attached at Appendix 1 and the letters are attached in full.</p> <p>The key points raised within the letter that responds directly to the consultation are as follows:</p> <ul style="list-style-type: none"> • <i>The base fee model used by the Council does not address financial sustainability issues of providers in the current market. See response below.</i> • <i>Fee model used by the Council is based on 90% occupancy for providers. This is not happening in effect. Instead,</i> |

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| | <p><i>providers are having to spread fixed costs across lower occupancy levels. See response below.</i></p> <ul style="list-style-type: none"> • <i>The current fee model does not allow for sufficient return on investment, currently 2% above base rate. See response below.</i> • <i>Longer term effects of Covid are likely to continue in the longer term. Any relief support should be based on an indemnity basis and occupancy levels should be considered as part of relief funding. See response below.</i> • <i>That Covid related support has been insufficient to meet care homes' needs. See response below.</i> • <i>Non-completion of the strategic review of older peoples care home market. The lack of a third party consultant to review costings and market stability. See response below.</i> • <i>Nursing care homes may be particularly disadvantaged as a result of the pandemic. See response below.</i> • <i>Smaller local providers are disproportionately affected by low fee rates. See response below.</i> • <i>There is reducing access to income from self funders and third party top up fees.</i> • <i>Residential clients are getting older and frailer at the point they are admitted to residential/nursing care and this increases their costs. See response below.</i> • <i>Sheffield does not offer a 'dementia supplement'. Some providers have raised this as an issue. See response below.</i> • <i>Claim a lack of time to fully review the proposed fee increase by the Council as part of the 21/22 fee consultation.</i> <p>In the response to the SCA request for an extension to the formal consultation period, the Council extended its deadline by 9 days to allow providers more time to consider the proposed fee uplift. This allowed 48 days in total to respond.</p> |
| 3.9.3. | <p>Staffing related costs: <i>Providers fed back their view that the fee rate should be increased to enable providers to appropriately reward staff and pay above National Living Wage. There are challenges for providers in recruiting and retaining staff, particularly nurses, which mean that many seek to offer staff slightly above the minimum wage in order to remain competitive employers. Providers also told us that maintaining wage differentials between front line and management</i></p> |

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| | <p><i>staff is key to retaining good managers and sustaining care quality through strong leadership.</i></p> <p><i>Some providers raised concerns about the need for higher staffing ratios as the acuity of residents has increased in recent years. They also described increased training and recruitment costs as well as the impact of employer pension contributions which have increased by 1% year on year for several years.</i></p> <p>The Council recognises and values the role that social care staff play in supporting some of the most vulnerable people in our city and understands the impact of the minimum wage increase for providers. The 1.9% initial proposed fee was based on applying the 2.18%% minimum wage increase on all staffing relating costs. The balance between staffing and non-staffing used to weight the increase reflects nationally recognised ratios and the information submitted by providers during consultation.</p> <p>Sheffield City Council have reflected upon feedback from consultation and are proposing to significantly increase the fee uplifts for 20/21 from the initial fee uplift used in the consultation. The proposed increase in fee uplift of 4.89% for Care Homes and 4.99% for Home Support and 5.6% for Personal Assistants is part of our ambition to support our third party suppliers to move towards the Foundation Living Wage over the next few years. Council Commissioning and Contracts teams will work closely in collaboration with all providers over the next 12 months to ensure progress by the sector towards Foundation Living Wage. The Council is committed to working with providers in each sector to enshrine improved terms and conditions for the care workforce in future contracting arrangements.</p> <p>This final proposed increases in the fee rates (above the originally proposed rate that we consulted on in December and January) reflects the Council’s commitment to taking on board the feedback of providers and ensuring a sustainable, quality and diverse adult social care market in the city.</p> |
| 3.9.4. | <p>Original Cost Model and Rate: <i>Providers have questioned whether the costing model used by the Council accurately reflects the cost model of care within care homes.</i></p> <p>Sheffield City Council continues to support the methodology it uses to set the base rate for the cost of care. Evidence from open book exercises this year and in previous years suggests that the ratio of staffing to non-staffing is appropriate and that good care can be provided at current rates.</p> <p>The open book exercises completed by care homes this year showed significant variation. The mean average cost of care was £506 which suggests the current rate of £505 is extremely tight for</p> |

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| | <p>most providers. However, there was significant variation in the costs submitted by different providers which illustrates the variety of business and financial structuring in the sector. If outliers are removed from the calculation then the costs are between £530-£560 per bed per week. This suggests that these providers are using third party contributions, have more complex income streams (e.g. health funded or enhanced support packages for some residents), a mixed economy, are sustaining ongoing losses or subsidising from homes elsewhere. The homes with the lowest costs are those that have low or no mortgage or rental costs and lowest corporate overheads.</p> <p>While some providers have questioned why Sheffield has a single flat rate, the cost of care exercise and subsequent open book exercises have not indicated differentiated costs. Feedback from providers also indicates that standard residential care faces levels of acuity now, including dementia and extreme frailty that has eroded the difference in costings between residential and nursing and dementia that used to be much more distinct.</p> <p>The question of the appropriateness of a single rate was raised by providers with the independent consultants who have suggested that the Council might revisit this as part of longer term implementation of the Strategic Review. The consultants pointed out that in authorities that do differentiate the fees, the proprietors often complain that the differentiation of £20 or £30 per week does not reflect the actual differential costs of providing care to people with complex needs.</p> <p>Providers indicated that they need to see an improved return on investment within the fee rate and for some, capital investment will be important to ensure that the physical infrastructure of their care homes remains fit for purpose longer term.</p> <p>As part of the consultation exercise providers have been asked to submit 'open book' costings to reflect spend which will be reflected in the final cabinet report.</p> |
| 3.9.5. | <p><i>Non-Staffing Costs:</i> <i>Some providers described non-staffing costs rising by more than the CPI rate (1.2%) used to calculate inflation on these costs.</i></p> <p>The Council believes that the Consumer Price Index remains a reasonable index for adjusting non-staffing costs associated with running a care home as it covers (food, utilities etc.). However, the Council also takes on board the concerns of some providers that not all of their non-staffing costs are appropriately weighted within the CPI calculation.</p> <p>The Council also acknowledges the feedback from the independent consultants that some authorities use a basket of measures</p> |

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| | <p>alongside the CPI in order to establish a more bespoke cost of inflation on non staffing costs. In recognition of this and the fact that 29% of the fee rate is assumed to be spent on non-staffing, a recommendation is set out in this report to increase the non-staffing element of the fee rate for care homes by 3% instead of 1.2% (the September CPI rate also used by the DWP to set pension). Commitment is also made to reviewing the CPI and considering a wider range of indices in future fee reviews as suggested by the consultants and some providers.</p> |
| 3.9.6. | <p><i>Return on Investment:</i> <i>Some providers raised issues with the rate of return on investment.</i></p> <p>The Council acknowledges the importance of return on investment and capital as a component of the fee rate and these were modelled within the cost model in 2017 which has been subsequently increased each year. The return on investment was based on 2% above base rate. This has been increased annually by the September CPI in subsequent years. The current base rate is currently 0.1% and significantly lower than when the current fee model was established.</p> <p>The Council acknowledges that the return on investment that is built into the rate for care homes in the city is relatively low however this depends on the financial structuring of the home, exposure to debt etc and remains more stable than the base rate. Providers are still entering the market in the city with significant interest in acquisition. The Council acknowledges however that the return on investment will need to taken into account in the implementation of the Strategic Review of Care Homes in order to ensure the development of a sector fit for the future needs of the city.</p> |
| 3.9.7. | <p><i>Impact of Covid19:</i> <i>Most providers had concerns about the ongoing impact of Covid19 in terms of higher costs and lower income resulting from lower occupancy.</i></p> <p>The increase in costs and reduction in income relating to the pandemic have been partly offset by a combination of government grants and Council investment and support but there is understandable anxiety about what support will continue beyond the current Government cut off date of 31st March 2021.</p> <p>The Council continues to lobby government regarding funding for social care as a critical area for increased funding and in relation to the need for ongoing pandemic specific support.</p> <p>The Council also continues to provide additional support to care homes to help with the effects of the pandemic. More information about the support provided can be found below (4).</p> <p>A large number of providers emphasised the support they had had</p> |

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| | <p>from the Council over the course of the pandemic both financially and through positive communication, access to PPE from the start, emergency staffing, support with responding to outbreaks and with keeping up to date with rapidly changing guidance.</p> <p>Most providers accepted that it was appropriate to maintain a separation between pandemic related supplier relief and the fee rate given the volatility of the market in relation to the pandemic and the need for a clear distinction between fee rate, government grants and supplier relief from the Council.</p> <p>The Council will continue to monitor the impact of the pandemic over the next year and assess risks to continuity of care and compliance with the Care Act’s duty regarding the care market. Where appropriate the Council will take proportionate action to mitigate risks and minimise the impact of market adjustment for residents.</p> |
| <p>3.9.8.</p> | <p>Support with lower occupancy – linking occupancy to the fee rate: <i>Some providers have said that the fee rate should be adjusted on the basis of Covid19 related lower occupancy. The pre-pandemic market was stable over many years with an occupancy of 92-95% occupancy. Current average occupancy is around 80%.</i></p> <p>The Council acknowledges the impact that such low occupancy has on care homes affected. This is also highlighted by the independent consultants who state that most care homes require occupancy of 90+% to ‘break even’. However the Council, and most providers, do not expect the Council to subsidise empty beds indefinitely and acknowledge the need for a degree of market contraction.</p> <p>The average occupancy is in line with the impact on occupancy elsewhere both regionally and nationally and, as elsewhere, hides a huge variation in occupancy with some homes operating at less than 40% and others above 90%. Occupancy is however only one indicator of viability with other factors such as scale, reserves, group structures and debt exposure also being key determinants of viability and business decisions.</p> <p>The impact of Covid19 on occupancy has been felt across council funded and self funded providers in roughly equal measure. Adjusting the fee rate against occupancy would benefit providers with above average occupancy and remain insufficient for those operating with lower occupancy. The Council will continue with a targeted approach to support providers where necessary to support a managed contraction of the market over the next two years through the implementation of recommendations from the Strategic Review of Care Homes.</p> <p>The Strategic Review of Care Homes will conclude in March and provide recommendations for the reshaping of the market for older</p> |

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| | <p>people’s residential care both in the short to medium term as some providers consider exiting the market due to the sharp dip in demand, and others consider longer term plans and potentially new models of providing care for those who need it.</p> <p>Support is available to care homes in financial distress who have provision that is in line with likely future demand and where they have a robust business case for short term support within the constraints of subsidy control. Support is also available for care homes who wish to exit the market to ensure that they are able to do this in a safe and planned way that enables the safe transfer of care for residents.</p> <p>Some providers have suggested nursing homes have been disproportionately affected. Where a particular type of provision is disproportionately affected and this threatens to impact on the continuity of care for residents needing this type of care, this will be taken into account in the allocation of support to providers in financial distress.</p> <p>At this time we do not believe small local providers are disproportionately at risk, in recent years home closures and sales and also care homes currently identified as at risk represent the full spectrum of local, regional and national providers of different sizes. We will however continue to monitor this.</p> |
| 3.9.9. | <p>Comparison with other Authorities: <i>Providers have told us that they feel that Sheffield rates do not favourably compare when benchmarked with other Authorities in core cities or locally.</i></p> <p>The concern from providers regarding Sheffield fee rates is mainly from the care home sector. Sheffield is the only authority in the region that uses a single base rate for all older people’s residential care. ADASS figures show that out of 15 Local Authorities in the region our residential rate is the 9th most generous when compared to the minimum other local authorities pay but 14th when compared to the highest rate. For Nursing care Sheffield is 12th out of 15 when compared to the minimum rate but 15th when compared to the maximum rate.</p> <p>Comparisons can also be made against other core cities in the UK whose demographics most closely resemble Sheffield’s. The following has been produced by the consultants, Cordisbright, and is a comparison of average price paid rather than the base rate. Out of the 8 core cities Sheffield ranks 8th for Nursing Care and 7th for Residential care and 7th overall.</p> <p>It is noted that the fee rate paid by Sheffield does not compare favourably to that paid by other regional authorities and core cities. This can be explained in part by comparatively low rent, mortgage and land costs in the city and the historically higher and consistent</p> |

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| | <p>levels of occupancy experienced in the city compared to other areas. The increase in the recommended uplift to support care home non-staffing costs and to support all types of contracted provision to move towards foundation living wage over the next few years is likely to enable Sheffield to compare more favourably in future years.</p> |
| 3.9.10. | <p>Strategic Review of Older People’s Care Homes: Cordisbright & Laing Buisson have been commissioned to carry out a strategic review of the older peoples care home market on behalf of the Council as per the commitment made by the Council’s Cabinet in March 2020 just before the pandemic took hold in the city. The impacts of the pandemic on care homes and on Council resources resulted in this work being delayed. The consultants have interviewed over 30 providers to date. Proprietors were asked about their viability in terms of current fee levels and the proposed 1.9% increase as well as their general views on the increases. The interim report is provided at Appendix 2. Key points highlighted however are:</p> <p>The consultants identified four groupings of providers:</p> <ol style="list-style-type: none"> 1. <i>Proprietors representing 7 homes in the city were very negative in their feedback on fees and increases. These providers are generally medium-sized local and regional operators who are vocal in their frustrations with the Council. This group of providers feel that the methodology and ‘base rate’ used to calculate the increase is flawed and are negative overall about the engagement and communication from the Council. A number of these providers say that they have significant viability issues within 3 to 6 months. See responses above.</i> 2. <i>The views are less negative from not-for-profit operators with a larger national base (three homes). The current £505 fee rate has been manageable but they seek minimum £60 top ups, which is now proving very difficult. No immediate viability issue. See responses above regarding support to providers and market contraction and Strategic Review implementation.</i> 3. <i>The views are neutral to negative from operators with longstanding council relationships (10+ homes) but warn that loss-per-bed has increased from £12 pp/bed/week at 90% occupancy to £130 pp/bed/week at current 75% occupancy. See responses above regarding support to providers and market contraction and Strategic Review implementation.</i> 4. <i>Providers who mainly have self-funders are neutral on the fee levels and increases, as expected (3 providers, 4 homes). One provider is achieving £800 pw and has a waiting list and another has a similar level of fees and has a higher level of</i> |

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| | <p><i>vacancies and a drop in referrals / enquiries.</i></p> <p>Further issues raised by providers with the consultants are covered in other sections of this report but are:</p> <ul style="list-style-type: none"> • Cost of Equipment • Single rate • Inflation / appropriateness of CPI • Occupancy |
| 3.9.11. | <p>Independent Data Analysis of Future Demand:</p> <p>The Council commissioned Kingsbury Hill Fox to undertake future demand analysis to project expected demand for care home or 'equivalent' care by the year 2025. Full details are provided in Appendix 1 and the report is provided in full at Appendix 3.</p> <p>The key findings of the data analysis are that there was an oversupply of care home places in the city pre-covid of around 18% (even allowing for 90% as optimal occupancy). Anticipated future demand, based on the level of occupancy of care homes by people aged 65+ in the last three years and ONS demographic projections for Sheffield, suggested a growth in demand for care home or equivalent care of 8.3% over the next 5 years. This would take the oversupply, based on 90% occupancy, to 8% by 2025. This was based on pre-covid publicly available data from CQC reports however so does not take account of the significant drop in occupancy and low levels of referrals to homes following the pandemic.</p> <p>Another key finding of the report is that the distribution of care home supply is not aligned to demand. This confirms the understanding of commissioners that there are higher levels of supply in areas of the city where land has historically been cheaper e.g. the north.</p> <p>The other key finding of the report is that the quality of care homes, based on CQC ratings over the last 3 years shows some disparity between the north (highest ratings) and the south west of the city (poorer ratings).</p> <p>The analysis supports the Council's view and the anticipated recommendations of the Strategic Review of the older people's care home sector that a degree of market contraction and market reshaping will be required over the next few years to ensure that the city has sufficient and sustainable quality residential care for those who need it and a range of alternative types of care and support for those who would prefer to remain at home or in a non-residential setting.</p> |
| 3.9.12. | <p>Cost of Equipment: <i>Providers told us that frailer residents require more specialist, expensive equipment that the provider needs to</i></p> |

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| | <p><i>purchase and then store when not needed.</i></p> <p>The Care Home Equipment Loan Service Guidance has been in existence since August 2018 and was widely consulted on and agreed with Care Home managers. The guidance was recirculated to care home managers again in 2019 and 2020 and will be recirculated in response to this feedback.</p> <p>The guidance outlines the responsibilities of the Care Homes with regards to the provision of equipment and the circumstances in which the Integrated Community Equipment Loan Service (ICELS) will loan standard and special equipment as well as how to return it to the equipment provider. All equipment (including profiling beds for end of life care) loaned to Care Homes has to be prescribed by a health care professional and the ICELS considers all requests on an individual basis. The ICELS was retendered last year and the Council is working closely with the new provider to ensure that the loan service is working for providers and that equipment is tracked and returned when no longer required. This will reduce costs for homes, ensure appropriate use of prescribed equipment and avoid homes storing equipment that is no longer required.</p> |
| 3.10. | Extra Care Consultation Feedback Summary |
| 3.10.1. | <p>There is now one provider of Council funded extra care who also delivers homecare in the city. The provider gave feedback on the extra care contract regarding the impact of minimum wage increase which the Council acknowledges and proposes to address in the revised recommended rate. The service element of the contract is outside the scope of this fees consultation however the contract will be reviewed in preparation for re-procurement this year and in light of any changes regarding sleep in payments.</p> |
| 3.11. | Home Care Consultation Feedback Summary |
| 3.12. | <p>The responses received from home care providers largely reflected the issues raised by care homes (staffing related costs, higher than CPI costs) as described in section 3.6 above.</p> <p>The consultation process for home care comprised of two elements: 'in person' meetings with providers (conducted via Zoom) and an online survey.</p> <p>19 providers were present at the meetings and 8 submitted online feedback, representing 63% of the total market share in terms of weekly hours delivered.</p> <p>Most of the themes raised by home care providers were similar to those raised by care homes but without the issue of occupancy and with less pressure regarding the non-staffing element of the rate which comprises a lower ratio (15%) of the overall rate.</p> |

Staffing, Recruitment and Retention: *Many providers told us that they would like to be able to pay their staff more and that this would improve morale, improve recruitment and support improved retention.* The turnover of staff is over 50% in Sheffield for homecare and this has huge cost implications for providers and impacts on the quality and consistency of care for people receiving home care. Most providers were keen that any additional investment that could be made in the fee rate would be passed on to improving staff wages and payment terms.

We appreciate the concern expressed in terms of the impact upon the labour market when the economy begins to recover from the pandemic. Given the current position, it is challenging to both make and prepare for forecasts of this nature.

Non-Staffing element of the fee rate: *Providers told us that the non-staffing element of the fee rate should be increased by higher than the CPI rate which they felt does not reflect some of the increases they face.* The Council believes that CPI is the most appropriate index against which to model an increase in non-staffing costs as set out at section 3.6.4 above however alternatives will be considered in collaboration with providers over the next six months and tracked against the current approach to assess suitability.

Increased costs relating to Covid19: Home care providers also raised concerns about the increased costs of delivering care as a result of the pandemic and finally providers also told us that it is more difficult to retain staff and costs of recruitment have increased. See above section for more detail on support for providers.

Provider payments: *Some providers fed back that the Council's current homecare payment model whereby providers are paid for the minutes of care delivered in someone's home (with a banding adjustment made) is not preferred.*

The Council has instigated a process, the Income & Payments Programme, to investigate and implement a new method of paying and charging for home care services, with payment for planned time the forerunner under consideration.

Performance: It should be noted that home care providers provided, and continue to provide, care services throughout the pandemic, while managing multiple challenges, including staff sickness and isolation, increased costs, and often high levels of demand. The market is currently in a relatively 'steady state,' monitored by weekly Situation Reports and regular dialogue between Sheffield City Council commissioners, contract managers and care providers. The sector provides a critical role in supporting people in need of care at home to be discharged in a timely way from hospital after a period of illness and has risen to this challenge with strong performance pick up times and responsiveness to a

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| | <p>health system under significant strain.</p> <p>The Council acknowledges the hard work and dedication of the social care sector especially their incredible commitment throughout the pandemic. The Council has reflected on the feedback from providers and has committed the investment of £4.2m in addition to the initial proposed fee rate. This increases the overall fee rate proposed in this paper to 4.99% with the expectation that this additionality above the minimum wage increase will be passed on by providers to their care workforce.</p> |
| 3.13. | Supported Living Consultation Feedback Summary |
| 3.13.1. | <p>The response rate to the formal consultation on the proposed fee rate was 79.3% of the 22 active supported living framework providers. 9 responses were received as part of the online survey. 3 providers reacted positively to the uplift fee proposal. 3 providers felt that the fee uplift proposal would partially reflect the costs of operation whilst 3 providers felt the proposal would not cover costs of operation.</p> <p>The feedback from supported living providers reflected that of other sectors e.g. Providers would be keen to move towards paying staff the Foundation Living Wage and remained concerned about ongoing impacts caused by the pandemic. These are described more fully in the care home and home care sections above and have informed the final recommended fee rate increase.</p> <p>The Council acknowledges the hard work and dedication of the social care sector especially their incredible commitment throughout the pandemic. The Council has reflected on the feedback from providers and has committed the investment of £4.2m in addition to the initial proposed fee rate. This increases the overall fee rate proposed in this paper to 4.99% with the expectation that this additionality above the minimum wage increase will be passed on by providers to their care workforce.</p> |
| 3.14. | Non-standard rate residential care for people with complex needs consultation feedback summary: |
| 3.14.1. | <p>Non standard rate residential care providers were contacted with the proposal to offer a 1.9% increase to the rate paid by the Council. This covers providers both in Sheffield and out of city. This did not include an increase to the CCG funded element of any joint packages or CCG fully funded packages of care with these providers.</p> <p>Over the last 24 months the Council's commissioning officers, with support from finance and commercial services, have worked with a number of non-standard rate residential providers through a Value for Money and Quality project to review the individually negotiated</p> |

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| | <p>fees in this sector. Although this project has been heavily impacted by the pandemic. Where a provider believes that such a review is appropriate for placements with them, we will undertake this via this project over the next year and make adjustments as appropriate.</p> <p>Council and Sheffield Clinical Commissioning Group commissioners and contract managers work closely together on quality monitoring and on developing a robust approach to developing and ensuring value for money from the non-standard complex residential market. This includes jointly undertaking Value for Money and Quality reviews of providers supporting people with jointly funded packages of care and working together to try and ensure aligned fee increases each year.</p> <p>Mental Health provision is managed on a slightly different basis and fees reflect progress in the delivery of specified outcomes for residents. It is therefore proposed that Mental Health providers are excluded from the recommended uplifts as they are subject to a different approach.</p> <p>Respite provision for people with learning disabilities has not previously been included in the annual market analysis and fees review. The current market is mixed, with 6 providers, 3 of whom provide a service within a residential setting, the other 3 using a Supported Living model. The arrangements for payments are also varied with 2 providers as Council Arranged Services and 4 paid via a Direct Payment. All 6 providers are registered as non-standard short-term residential services.</p> <p>A review of respite services and consultation will be undertaken over the next 12 months to gain a greater understanding of this very varied provision. This year however it is proposed that the increase for Council Arranged Respite is based on the same increase calculated for non-standard residential care.</p> <p>The final proposal for the increase in these individually contracted fee rates is 1.9% based on the increase in national minimum wage of 2.18% applied to staffing costs (weighted at 71% of the rate) and 1.2% CPI applied to non staffing costs (weighted at 29% of the rate). Providers can request a joint Value for Money and Quality Review of their provision and fee rates by the Council and the Sheffield Clinical Commissioning Group.</p> |
| 3.13 | <p>Day Activities:</p> <p>Day activities provision has not previously been included in the annual market analysis and fees review. The last year has seen the development of a proactive commissioning approach to this sector despite the huge impact on providers of the pandemic and ongoing lock down restrictions. Given the specific volatility of this market currently it is recommended that a fee increase be proposed this</p> |

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| | <p>year with a view to carrying out detailed consultation with the market over the next year on a longer term funding strategy for the sector.</p> <p>More work will be undertaken over the next 12 months with the day activities market to understand the cost base of this very varied provision. This year however it is proposed that the increase for this sector is based on the same increase calculated for home care.</p> |
| 3.14 | <p>Direct Payments: Provider Costs and PA Rates:</p> <p>Direct Payments have also previously been outside the scope of the annual market analysis and fees review. The last year has seen the development of a coproduced improvement project to improve the Council's approach to direct payments and supporting people who wish to use this flexible approach to managing their own care and support.</p> <p>It is therefore recommended that an increase to the direct payment rate be proposed this year based on the work of this project and the input of a range of people engaged in this as well as the feedback from providers from the consultations on homecare and supported living. The proposal is that the Direct Payment rate is considered in two separately costed elements: activity costs (based on care home fee rate model) and PA rates which must cover the total cost of someone's employment.</p> <p>The rate for Personal Assistants (part of someone's direct payment) must be sufficient to meet all their employment costs. The rate for other areas of direct payment spend is based on the same increase as home care and supported living. The Council has committed an additional £4.2m for investment in the care workforce. This means that the proposed uplift for Personal Assistants is 5.66% which is significantly above the minimum wage increase. The Direct Payments Programme will work with people who use direct payments to support them to utilise the increase to increase the pay of the Personal Assistants and other care providers.</p> |
| 4. | <p>Support to care providers during the pandemic:</p> |
| | <p>The Council acknowledges the significant and varying impact of the pandemic upon providers over the last 12 months. The Council has provided a wide range of support for contracted and non-contracted providers summarised below and detailed further in the appendix by sector type (*denotes support offered to framework providers only):</p> <ul style="list-style-type: none"> • PPE support including a 7-day free supply of equipment where providers were unable to replenish their own supplies. This applies to all providers in the city (contracted and non- |

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| | <p>contracted)</p> <ul style="list-style-type: none"> • Support through regular virtual forums and at least fortnightly telephony-based support from our commissioning and contract managers* • A dedicated 'providercovid19 inbox' and weekly updates via email to all providers or specific sectors as appropriate • A dedicated Web Page 'Coronavirus - Support for Adult Social Care providers' sharing information and sign posting to support services for providers.5% uplift - COVID supplement on fee rate* • Advance fortnightly payments for homecare* during the first four months of the pandemic • Flexible block payment for homecare* during the first four months of the pandemic • Demand focused financial support and incentives for homecare* which remain ongoing • Occupancy support for Council funded care homes experiencing high vacancy levels as a result of higher than expected deaths and covid outbreaks • Support for supported living and day activities providers to top up under delivery related to covid and to cover additional costs of supporting people differently • Support with additional and exceptional costs relating to covid • Administration of grants to support the care sector including Infection Control Fund (Rounds 1 & 2) and Lateral Flow Device Testing support for care homes • Support to access the national PPE supply chain introduced by the Department of Health and Social Care in the Autumn as well as the option to draw on Council funded PPE to top up their supplies if required. <p>More detailed feedback from providers of the positive impact of the support from the Council is provided in Appendix 1. ¹</p> |
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¹ Appendix 1* – 'Home Care and Support Services COVID 19 Survey - Provider Feedback July 2020' provides feedback on the value of the above support received and helped inform the

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| 5. | Final proposals based on market analysis and consultation feedback: |
| 5.1. | Increase the original proposed fee rate for care homes, home care, extra care, day activities and supported living. The proposed increase in fee uplift is based on increasing the staffing element of the fee rate by 5.66% and is a fundamental part of our ambition to work with each sector to enshrine the Foundation Living Wage contractually over the next few years. Standard rate care homes will also have a higher than originally proposed increase in the non-staffing element of the rate of 3%. |
| 5.2. | Increase PA rates for people in receipt of direct payments who use this to pay for a PA by 5.66% and the activity element of the direct payment by 4.99% in line with home support. |
| 5.3. | The Council is committed to working in partnership with providers who are able to respond to changing demographics and customer expectations to deliver better outcomes and improved terms and conditions for the care workforce. |
| 5.4. | The Council and the Sheffield Clinical Commissioning Group continue to work closely with Care Homes in the city to respond to and take forward the findings of the Strategic Review of Care Homes in the context of the wider review of Adult Social Care. The focus of this work is the contraction necessary to ensure a sustainable market in the medium to longer term and the proactive reshaping of the market and development of models of care that are fit for the future needs and aspirations of older people in the city. Key areas for collaborative development are sufficiency, quality and outcomes focused care, workforce development, capital investment and longer term funding strategy. |
| 5.5. | The Council continue work to redesign the home care and supported living models for the city with engagement from people who use services, providers and other stakeholders, and drive improvements to the procurement and payment processes. |
| 5.6. | The Council continue to drive the Direct Payment improvement programme working with people who use or would like to use a direct payment to have more choice and control over their support and how it is delivered. |
| 5.7. | The Council continue to develop the approach to commissioning day activities for people to support a diverse and accessible range of quality, person-centred activities that meet people's needs and aspirations. |
| 5.8. | Commissioning to lead on a workforce development workstream within the context of the wider Adult Social Care Strategic Review with providers, representatives of the workforce, trade unions, and |

planning for the below support from July 2020 onwards.

Appendix 2* – 'Home Care and Support Services Feedback - COVID 19 Survey July 2020' provides feedback on providers perceptions of the support received during the first wave and their readiness for future waves.

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| | partners in the learning and skills sector to drive the shared ambition to enshrine the foundation living wage across the care workforce and supply chain. |
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| 6. | RISK ANALYSIS AND IMPLICATIONS OF THE DECISION |
| 6.1. | <u>Equality of Opportunity Implications</u> |
| 6.1.1. | An Equality Impact Assessment has been completed for the proposed fee increase. A full list of the equality considerations, impacts and actions can be found in Equality Impact Assessment 883. |
| 6.1.2. | The proposal is supportive of the Public Sector Equality Duty (noted in the Legal Implications section below), under which public authorities, in the exercise of their functions, must have due regard to the need to: <ul style="list-style-type: none"> • Eliminate discrimination, harassment, victimisation and any other conduct that is connected to protected characteristics and prohibited by or under this Act • Advance equality of opportunity between those who share a relevant protected characteristic and those who do not • Foster good relations between those who share a relevant protected characteristic and those who do not. |
| 6.1.3. | The EIA notes that the proposed fee increases are (on the basis of consultation feedback) expected to enable providers to maintain or improve staffing levels, so to benefit the quality and consistency of care for individuals supported – this includes people who share the key protected characteristics of Age and/or Disability. The Council’s EIA template requires consideration of the impact on providers themselves where they are deemed to be VCF/not-for-profit. A further impact area considered is poverty and financial inclusion. While the cost of higher fees will be passed onto people who pay contributions to the cost of their care, it is noted that the financial assessment process takes account of cost of living and disability related expenses, which offers some mitigation. |
| 6.2. | <u>Financial and Commercial Implications</u> |
| 6.2.1. | The impact of the recommended fee increases is as follows: |

| | Type of Provision | Initial Proposed % Increase | Final Recommended % Increase | Impact on budget 000's £ |
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| | Standard Care Homes | 1.9% | 4.89% | £2,574 |
| | Homecare Framework | 2.03% | 4.99% | £1,281 |
| | Supported Living Framework | 2.03% | 4.99% | £1,366 |
| | Non-Standard Residential & Respite | 1.9% | 1.9% | £322 |
| | Day Activities | 1.9% | 4.89% | £326 |
| | Direct Payments PA Rates | | 5.66% | £622 |
| | Direct Payments Activity Rates | 2.03% | 4.99% | £1,493 |
| | Total Cost | | | 7,864 |
| 6.2.2. | <p>The financial risks will be mitigated as follows:</p> <ul style="list-style-type: none"> • Demand for care will be well-managed. As set out below, the vision for adult social care is to enable a shift into prevention which will mean proportionately fewer people need care. • The investment will create a more stable supply of care which will result in significant benefits for individuals and the wider health and social care system. Just as inconsistent adult social care creates the risk that more Sheffield people will wait longer in hospital beds before they can leave, so consistent care will mean fewer hospital beds are likely to be needed. • This shift into prevention that will be delivered in Sheffield will continue to take pressure off the usage of hospital beds and enable a shift of resources from acute care to community care to ensure future affordability. • The cost will be contained within the budget allocated to adult social care in the 2021/22 budget. | | | |
| 6.2.3. | <p>Effective and efficient use of resources across the whole of health and social care is absolutely key to a sustainable financial plan in future years. The national initiatives to develop an Accountable Care</p> | | | |

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| | Partnership (ACP) for Sheffield and an Integrated Care System (ICS) for South Yorkshire and Bassetlaw will support a system-wide move from bed-based and institutional care towards sustainable preventative support for people living in Sheffield's communities. |
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| 6.3. | <u>Legal Implications</u> |
| 6.3.1. | <p>The Care Act 2014 places a duty on the Council to promote the efficient and effective operation of a market in services for meeting care and support needs, and in performing that duty, the Council must have regard to the importance of ensuring the sustainability of the market, as well as to the requirement to facilitate and shape their market for adult care and support as a whole, so that it meets the needs of all people in their area who need care and support. There is an expectation on the Council to ensure that the fees for all types of care should take account of both the actual cost of good quality care and the need to ensure a diverse provider market.</p> <p>In meeting these requirements the Council has conducted a comprehensive consultation process as set out in section 3 of this report.</p> <p>The Council must also comply with the requirements of the Equality Act 2010 and in particular section 149 (the Public Sector Equality Duty), which provides that a public authority must, in the exercise of its functions, have due regard to the need to; Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Act. The due regard given to the PSED is evidenced in this report and the attached EIA reference number 883.</p> <p>Care must be taken to ensure that variations to existing contracts are not material in accordance with the Public Contracts Regulations 2015. In doing so regard must be had to previous variations as amendments have to be considered cumulatively.</p> |
| 6.3.2. | Other implications – None |
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| 7. | ALTERNATIVE OPTIONS CONSIDERED |
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| 7.1. | The Council originally consulted in December 2020 on a proposed fee increase based on a lower increase in fee uplift. Following the feedback from providers and further market analysis, the Council has reflected on the feedback and the risk to the market of the initially proposed uplift and is recommending a higher increase to care home non-staffing costs and the investment of an additional £4.2m into salaries of front line staffing. |
| 7.2. | The Council has considered whether to adjust the care home fee to reflect lower occupancy levels. This option has been discounted however on the basis that some market contraction is required and a more targeted intervention will ensure this is safely managed and |

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| | <p>protects the balance and continuity of care for those who need it in the city. Adjusting care home fees to reflect average occupancy levels would have very different implications for homes depending on their occupancy with some gaining and others still struggling to achieve viability. A targeted approach enables the Council to intervene to ensure that the inevitable risks associated with the contraction needed to achieve a balanced and sustainable, diverse and quality market can be best mitigated during a period of unprecedented market volatility.</p> |
| 8. | <p>REASONS FOR RECOMMENDATIONS</p> |
| 8.1. | <p>In order to develop and maintain a stable adult social care market in Sheffield the Council need to ensure that the fees paid by the Council to providers for adult social care in the city of Sheffield are increased in line with the cost of delivering care in the city including inflationary pressures in 2021/22.</p> <p>The impact of the pandemic on the adult social care sector is ongoing and the Council will continue to monitor the costs and pressures facing each type of care provision to support a sustainable, quality and diverse market during a very challenging and volatile time for providers, for people who use services and for the Council and wider health and social care system as commissioners.</p> |

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