

Fair Cost of Care Question and answers from Webinars on Annex B

Uplifts & Funding

Will there be uplift to existing clients as we have clients on 2021 rates?

Each market will have a slightly different approach to how they are uplifting existing packages of care. Please refer to your market's cabinet paper for full details on the scheduled approach for your market.

- domiciliary uplift: <https://www.essexproviderhub.org/provider-hub-news/uplift-statements-for-older-people-residential-nursing-domiciliary-services-2023-24/>
- Residential and Nursing uplift: <https://www.essexproviderhub.org/older-people-accommodation-services-hub/residential-and-nursing-care/rate-uplifts/>

A decision on supported living, extra care and LD residential will be taken to March Cabinet.

What is the increase in costs, when will we get this, and will it be backdated?

Any additional funding provided to our social care markets will be increased through annual or planned uplifts through our existing contractual models. For further information on additional funding in your market please refer to your market's cabinet paper for full details.

- Domiciliary Cabinet Report:
https://cmis.essex.gov.uk/essexcmis5/Decisions/tabid/78/ctl/ViewCMIS_DecisionDetails/mid/422/Id/9444/Default.aspx
- Residential and Nursing Cabinet report:
https://cmis.essex.gov.uk/essexcmis5/Decisions/tabid/78/ctl/ViewCMIS_DecisionDetails/mid/422/Id/9458/Default.aspx

From the core spending review the Government announced £89.9m for Essex for Social Care Grant which is different to the amount you are quoting?

The £89.9m is the total amount the Council receives from the Government Social Care Grant for adults and children's services and is therefore not all new money available to the council. The additional new monies announced for 2023/24 include the Social Care Grant (re-purposed funding for the delayed care charging reforms) of £31.5m, and the ASC Market Sustainability and Improvement Funding Grant (MSIF Grant) of £13.9m, which includes the £4m allocated to ECC in 2022/23 for the Fair Cost of Care.

You haven't mentioned spot providers with regard to uplifts?

For further information on additional funding in your market please refer to your market's cabinet paper for full details.

- Domiciliary Cabinet Report:
https://cmis.essex.gov.uk/essexcmis5/Decisions/tabid/78/ctl/ViewCMIS_DecisionDetails/mid/422/Id/9444/Default.aspx
- Residential and Nursing Cabinet report:
https://cmis.essex.gov.uk/essexcmis5/Decisions/tabid/78/ctl/ViewCMIS_DecisionDetails/mid/422/Id/9458/Default.aspx

What are your intentions to move to the FCOC rates then? as the current % offers are not sufficient?

It is not affordable within the Council's available resources to move to FCOC rates in a single move. Our approach is that we move to fair cost of care over 2-3 years. This will depend on a further

significant increase in social care grant from central government for 2024/5, which is indicated (but not confirmed in local authority allocations) by the November Autumn Statement. For this year, the Council has decided to uplift our markets in separate phases pending further detailed guidance from central government. Information on our existing approach is specified within our cabinet papers for review.

You need to be more transparent as to who you intend to spend the additional funding?

We will be having further discussions on the next stage of the process with providers on how to spend the rest of the funding for 2023/24.

Wirral CC have just passported the full allocation of additional Social Care Grants for 2023 to care home providers, we would hope other LA's will follow suit appropriately?

The Council are keen to ensure the funding received to support the sustainability of the market is used appropriately. The care home market is an important market in Essex, but we also need to grow and support community-based options such as domiciliary care, supported living and extra care. February Cabinet announced uplifts for Live at Home and Residential and Nursing framework providers. In March, Cabinet will set out proposals for other parts of the market.

Whilst appreciating that ECC will want to prioritise some areas over others, need to ensure that all areas are supported - uplift for residential is worryingly low?

The intention is to move to FCOC over the next 2-3 years and we have prioritised some market segments over others where we have had significant supply issues over the past 2 years. We expect to be buying fewer residential beds at higher cost over the next few years based on demand and the needs/acuity of adults.

Also, help with cost of energy? My costs have gone up 5 times.

We are increasing rates to reflect the increased staffing and inflationary costs, but this will be phased over the next couple of years. We are supporting care providers to access grants on clean energy and energy efficiency. We are also in the early stages of looking at whether there is more we can do to support collaborative utility purchasing and will test interest and appetite further with ECA, Care England and providers

Fair Cost of Care Exercise and Outcomes

Will ECC median rates be benchmarked against other similar geographical county areas?

Some initial analysis has been completed to compare our median rates with our Eastern Region Authorities. A wider comparison with other Geographical sized authorities has not yet been completed but we will aim to do further benchmarking as information is shared nationally.

What would the median rate have been if you had not excluded outliers?

This has not been calculated as we wanted to use a statistically valid approach. It is important to note that the exclusion of outliers was at both the top end and the bottom end. Note that the median rate will not be the rate used for calculating contractual uplifts as we don't have one rate across Essex. The information submitted by providers is used alongside our commercial, financial and commissioning insight to inform our decision-making process and planned uplifts.

Why are your rates lower than those of neighbouring authorities?

Having reviewed the ADASS East Regional Fair Cost of Care data, our rates are comparable to our neighbouring authorities both for both residential, nursing and domiciliary care.

Why was there no engagement with providers prior to submission of your median rates?

The Council has undertaken a range of work with providers to encourage participation within the timescales specified by Government.

What was the cost for Loughton, Epping?

The median rate is a blended rate across the county.

Please can you explain why the Laing and Buisson's figure of 10% was not used.

LaingBuisson made a proposal for a 10% profit margin, however the data within the returns for our domiciliary market meant on average providers had a 5% profit margin.

For residential and nursing care, it was agreed to keep the profit margin consistent with our domiciliary market and is comparable to the rates used regionally.

Have all provider responses from Tendering, Maldon, Uttlesford, Epping Forest and Castle Point been disqualified?

We are extremely grateful for all providers that took the time and effort to complete the Fair Cost of Care Tool Kits. No one has been disqualified by virtue of which part of the county they come from. All information provided whether fully or partially validated have been used to support the outcome of the Fair Cost of Care exercise.

Why are some responses ousted, noting the time and costs providers invested in completing these exercises?

For the Fair Cost of Care exercise Department of Health and Social Care (DHSC) and the Local Government Association (LGA) advice was to ensure we dealt with outliers and any zero returns in a consistent manner. Therefore, we removed the biggest outliers at each end of the spectrum so that the median cost was neither artificially deflated by zero or close to zero values, or erroneously inflated by statistically significant outliers.

The Council appears to have confused itself between a statistically produced and justified median rate and a "Fair" rate.

The fair cost of care exercise nationally required councils to identify a single median rate for the cost of care, looking at domiciliary/homecare services for people over the age of 18 and residential and nursing care for older people over 65.

For a county the size of Essex, with different demography and a mix of rural and urban areas, a single median rate cannot reflect that diversity and will not automatically or necessarily be the rate we would use to set our contracts. As would be expected, we have excluded outlying submissions at both the very high cost and low-cost ends to avoid statistical distortions. The outcome of the exercise provides Median Rates which is submitted to Government. We have triangulated this information with other commercial/commissioning and financial lens on our domiciliary market, which informs our Cost of Care rate(s) each financial year and the decisions made on uplifts for our markets.

Supported Living

23/24 uplift proposed for Supported Living is way below both requirements of statutory increases and inflation we face and other funders

The proposed uplifts for supported living have not been announced yet. These will be set out in our March Cabinet paper.

Recruitment & Retention

Can ECC provide our key workers priority on council housing?

Housing is the responsibility of district, borough and city councils who set the criteria and priorities for use of social housing. Availability of affordable housing is a significant issue across the county and there are long waiting lists for social housing.

Will there be any financial support around international recruitment for organisations?

The government has recently announced an international recruitment fund which has been allocated on a regional basis: <https://www.gov.uk/government/publications/international-recruitment-fund-for-the-adult-social-care-sector>

We are working with regional colleagues on a plan for this and will share with providers as soon as we know the outcome of the bid. In the meantime please do have a look at the webinars we commissioned on international recruitment: <https://www.essexproviderhub.org/recruitment-retention-and-wellbeing/international-recruitment-for-social-care-services/>

How will Essex be promoting the carer role in the community; people are leaving the sector in droves and we are recruiting from increasing smaller pools?

As part of our Market Shaping Strategy the Council have identified Workforce as a key priority area that we would like to work with our markets to develop, in the meantime our current workforce strategy has a number of initiatives underway, for more information please refer to our recruitment, retention and wellbeing section: [Provider Hub | Provider Hub | Essex \(essexproviderhub.org\)](#)

Domiciliary Care

How many of your domiciliary care providers who responded were spot providers?

Out of the 66 responses from our domiciliary market 16 spot providers submitted returns this is 24% of our total returns

Information on rates for domiciliary care?

For further information on additional funding in your market please refer to the February Cabinet paper for full details.

Domiciliary Cabinet Report:

https://cmis.essex.gov.uk/essexcmis5/Decisions/tabid/78/ctl/ViewCMIS_DdecisionDetails/mid/422/Id/9444/Default.aspx

Is the LAH framework being followed currently in relation to the Tiers for allocation of packages in Dom care?

Yes, Our Service Placement Team are required to follow the sourcing approach defined as part of the Live at Home Framework.

If your median rate for domiciliary care is £23.42 why is the lowest rate on the recently published pricing matrix £22.33. Why are you asking providers to provide a service at a price that you have stated by default is unfair?

A median rate (the middle number) reflects the fact that some providers have costs above that rate and some have costs below that rate. A range of rates is used because this allows providers to select the rate most suitable to the size and structure of their organisation. Some providers may achieve economies of scale through the volume of care packages they hold or may make efficiencies through the use of technology for the management of care, and therefore may want to select a rate lower (or higher) than the median rate. The recent February Cabinet decision has moved rates closer to the FCOC median rate.

Integrated Residential and Nursing Care

Can you please explain why there is no specific dependency tool for providers to complete for the 'Enhanced payments fee' as we have with other Local Authorities?

ECC currently have an exceptional needs payment and an exceptional needs tool for the Integrated Residential and Nursing Framework. We are currently in the process of reviewing this with ECA with the plan to implement a new dependency tool.

The provisional 8% for residential is simply not sustainable. the FCOC quoted on annex B for residential is £846.81. 8% increase is woefully below the FCOC of £846.81, can you please explain the differential and how you intend to bridge this gap?

The Council recognises that residential providers face cost pressures but the Council also has finite resources. The Council is committed to moving to FCOC rates over the next 2-3 years, subject to available funding.

What is the justification is for uplifting Live at Home providers by between 11.8% and 14.6% when the uplift required to meet FCoC is 10.8% whereas for residential care the uplift required to meet FCoC is 30% yet the uplift being offered is 8%? This is particularly difficult to grasp when Live at Home was also allocated £3.9 million in September.

The Council has a strategic ambition to support as many people as possible to be supported within their homes. That requires us to look to grow and support care options in the community, such as through our Live at Home framework. We also recognise that care workers in the domiciliary care sector are some of the lowest paid in the care sector.

The Council has tried to balance competing priorities within the care sector. For example, the recent February Cabinet decision has uplifted rates for nursing by 20% and have also increased rates for exceptional needs payments.

Learning Disability Residential Care

Where does LD homes come into this? I'm and LD provider contacted by Laing Buisson

Residential care for adults with learning disabilities was explicitly outside of the scope of the national fair cost of care exercise and so results do not include, or reflect, costs in LD homes. We have undertaken a separate local exercise to understand FCOC in markets not included in the national exercise.

Proposed uplifts for LD residential providers will be set out in our March Cabinet paper.