

Appendix 1 – Adults - older people with a disability - Care Homes

Introduction

Sheffield City Council is committed to ensuring that diverse, sustainable and quality social care is available to meet the needs of people in Sheffield. Older Adult Care Homes are a key part of social care provision in the city and we have taken on board feedback from the providers we contract with about the challenges they face and the support they need.

Care Home Fee

As part of the review of care fees for 2018/19 we conducted an extensive consultation exercise to best determine the actual cost of care in Sheffield. This Cost of Care exercise was supported by Care Home Providers and Sheffield University in order to identify a fair and reasonable fee rate for Care Homes in the city.

This review resulted in:

- An increase to reflect the cost of care exercise.
- A new agreed ratio for determining the inflationary uplift
- A single fee rate for all types of care of £463

For 2019/20 we have used use the same ratio for determining inflation uplift this is:

NMW increase	60%
Public sector pay award (all non-living wage staff)	11%
CPI	29%

This would see the current rate of £463 uplifted by 3.89% and would result in a new weekly fee of £481

Category	2018-19 rate	2019-20 rate	% increase
Residential - standard	£463	£481	3.89%
Residential – high dependency	£463	£481	3.89%
Residential - EMI	£463	£481	3.89%
Nursing – standard excluding FNC	£463	£481	3.89%
Nursing enhanced excluding FNC	£463	£481	3.89%

Market overview

There are 78 independent care homes for older adults in the city providing 3209 beds in total. Of these, 22% (18) are voluntary/third sector homes. The providers range from small, long established operators with a single care home in a converted property, to large national organisations that run many purpose-built care homes – typically focused on areas of the city where land costs are lower. Approximately 32% of the current care homes in Sheffield are operated by large national organisations; however there are a growing number of more local organisations who have multiple care home ownership. Such a diverse range of ownership brings with it different business models: some providers operate with significant debts whereas others may have very little. National providers can cross-subsidise their homes to manage local variations in demand and profitability and are able to exploit economies of scale.

People living in care homes are often aged 85+ and are likely to be frailer and have greater care needs than in previous decades. In 2017 there were 13,000 people in Sheffield over 85 and this is expected to rise steeply bringing the population of 85+ age group to over 22,600 by 2035. Although people are older and frailer when they enter a care home, their length of stay still varies but national evidence suggests it is just over 2 years in residential and around 13 months in nursing. Many access care later in life after a spell in hospital or intermediate care hence their needs may be greater as a result.

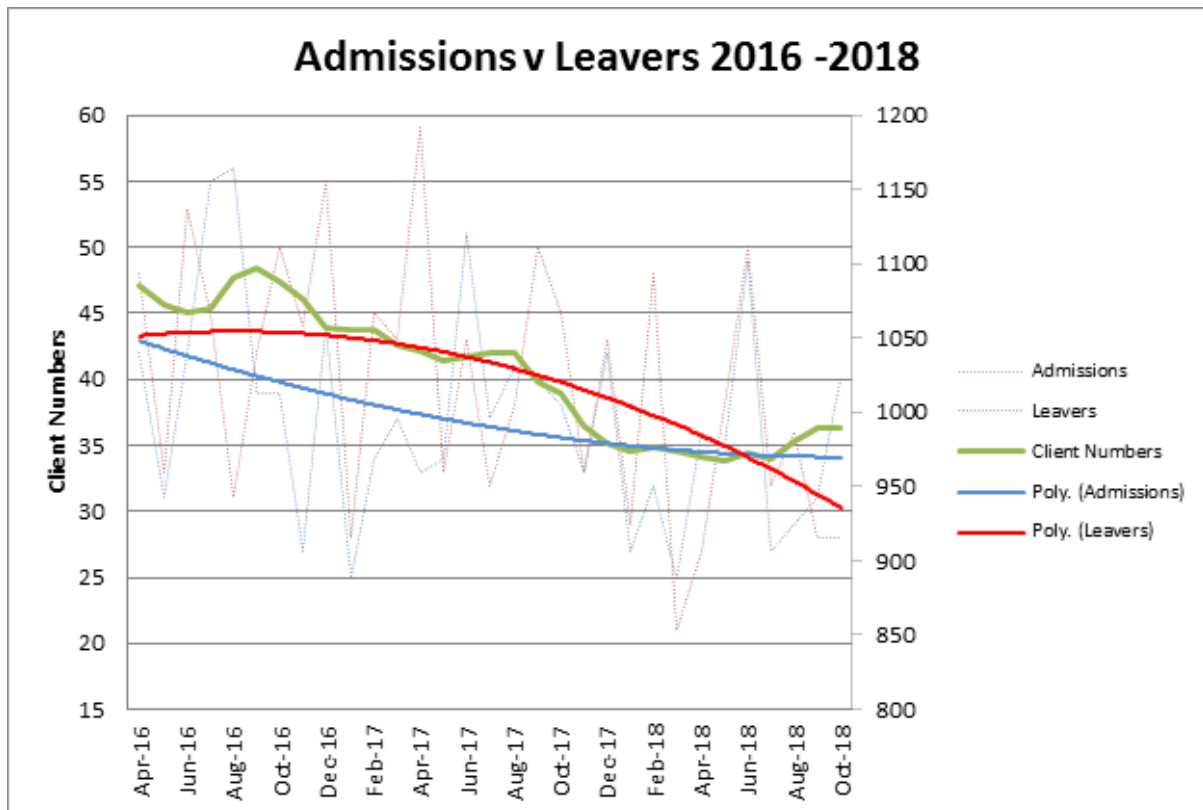
Although the market in the city has remained relatively stable in the last 12 months there have been some fluctuations in occupancy. At times there has been significant demand for places especially during winter periods, at other times there have been high levels of vacancies leading to some significant viability issues where providers have more than 10% of their beds empty. This has led a number of providers to review their business planning and we are aware some will change beds from nursing to residential. These fluctuations are not always easy to predict however if the overall downward trend continues there will inevitably be closures in the market and we are already aware of two home closures with a loss of around 90 beds.

Market analysis

Occupancy

- Between 2016 and 2018 we have seen a reducing trend in residential care home admissions. However, there has recently been a small increase in the overall number of people actually resident in a Care Home. This is mainly because the numbers of people leaving is not falling at the same rate as admissions.
- The graph below shows the trends for admissions, leavers and the number of people actually in residential homes from April 2016 to Sept 2018:¹

¹ NB. Does not include the most recent months as the numbers will change when people are paid late next month for starts in October and November, and it causes confusion when they shift.



- The average number of placements per month this year is 31 and average number of leavers 26. This means that the total number of people receiving residential care is increasing by 5 per month. This is thought to be a short term fluctuation and further investigations are taking place. We do know when the admission rate is looked at over a 12 week period; it is actually lower than previous 12 week period, so although it is important to continue to monitor admissions, this doesn't appear to be a significant concern.
- The rate of decrease for people leaving residential care has slowed down – leading to a net increase in the overall number of people in residential care homes at any one time. The increase may be an emerging trend, primarily due to people living slightly longer.
- The number of people in residential care homes (September 2018 – 990 people) is still lower than it was in September 2017 (1021).

Benchmarking data

All Local Authorities will have different factors in relation to their local economy, so a one-size-fits-all approach cannot be assumed. However, Sheffield's approach to fee rates for 2019/20 must be appropriately mindful of the approach taken by neighbours.

The comparator fee rates for 2018/19 are as follows (minus FNC)

LA	Residential	Nursing	Residential dementia	Nursing dementia	Quality Premium
Rotherham	£445	£449	£481	£534	No
Doncaster	£485.87	£485.87	£485.87	£538.88	No
Sheffield	£463	£463	£463	£463	No
Barnsley	£443.66	£443.66	£480.62	£480.62	No

Factors which affect the viability of providers

Providers have told us about the factors/pressures that impact on their ability to remain in the market and continue to provide good quality services. There is no indication that for 19/20 the issues have changed and this was confirmed in discussions with providers at:

- Care home owners meetings on 31.7.18 and 26.10.18
- The consultation when providers were able to comment on the three possible options (December 2018 to January 2019) as outlined in the Cabinet report.

The key areas identified were as follows:

- Fee Levels – the continued low fee base makes the impact of % increase minimal
- National Living Wage Increases – for all front line workers and the pressure to pay the ethical wage
- Retention of Nursing Staff – this is a national issue but felt more in the private sector mainly as this sector is not able to offer the incentives that the NHS does
- Increased costs associated with apprentices, registration/training and backfill for training
- Recruiting suitably qualified staff in leadership and management posts and paying an appropriate wage increase each year
- Third Party Contributions – providers feeling pressure to charge these if they are not able to have a mixed economy of residents (private/LA/CCG)
- Private fee payers – providers actively sourcing people as they assist in subsidising the low fees
- Cost of debt – high interest rates for debt especially where there are loans attached to the property
- Poor stock – the number of homes which need significant refurbishment, however providers unable to raise the capital for this
- The impact on quality of low fees

Additional support offered/to be offered to care homes

Other than fees the Council and Clinical Commissioning Group (CCG) provide other support to care homes to help improve the quality of care. These include:

- Training to meet the Common Induction Standards.
- Owner and manager forums aimed at improving partnership working and quality.
- Working with the Department for Work and Pensions on recruitment initiatives
- A GP Locally Commissioned Service (LCS) scheme, which costs around £800,000. Under this scheme each Care home is aligned to one GP practice which accepts all residents who choose to register.
- Provision of the online care homes bed portal which is used to identify vacancies.

However it is clear that there are other opportunities to collaborate with providers and potential ways of creating further efficiencies.

There is a commitment within social care to develop these initiatives which will include:

- Investigating the potential use of assistive technology in care homes which could improve efficiency and improve outcomes for residents
- Actively involving providers in the review of the quality and contract monitoring processes undertaken by the Council
- Ensuring a flexible and innovative approach to meeting the needs of the population both in terms of demographic changes and seasonal fluctuations such as winter pressures in the health service.
- Working in partnership with providers to see if this remains the best approach to fee setting or whether there are more creative and longer term approaches to fee setting available which both support the market and offer good value to the City Council.

Appendix 2 – Home Care

Background to home care

The home care market has remained relatively stable this year with the chosen model of a few primary providers supported by a larger number of smaller providers working well. This position has enabled the market to respond to a significant increase in demand by steadily growing its capacity in a measured and sustainable way, helped in no small part by the brokerage team and a healthy relationship between the providers and the contracts team.

Around 38 providers now deliver services across Sheffield, the support hours mostly purchased from a Framework Contract with a small number of additional block contracts in particularly challenging areas of the city.

Fees levels vary between each contract area depending on the density of service user and therefore the travel time between calls. This model has been welcomed by providers as was last year's uplift, based on a combination of three inflationary indices; National Living Wage; Consumer Price Index and the Public Sector pay award.

Pressures on the home care market

The main pressures on the home care have remained constant

- Increasing demand for home care caused in part by demographic factors, but also by national and local policies designed to get and keep people out of hospital when medically fit and to reduce the use of residential and nursing care homes where people are still able to live independently at home
- Workforce issues, mainly around recruitment and retention conditions.

The cost model

A 'cost of care' model approach to home care fees was implemented in April 2017. Based upon extensive consultation with providers, this model better reflected the true cost of delivering a home care service in Sheffield and as mentioned above, took into account local disparities in travel time for care workers.

In April 2018 the hourly rates were uplifted in line with a weighted combination of inflationary indices which include National Living Wage and CPI.

Additional support offered/to be offered to providers

The Council and Sheffield Clinical Commissioning Group provide support to home care agencies to help improve capacity and the quality of care. These include:

- Regular provider forums with development opportunities

- Opportunities for providers to engage with piloting new approaches to increasing capacity and delivering care in the city
- Identifying training and development needs to inform training provision in the city
- Support with recruitment – we recently funded a series of workshops run by Skills for Care which were highly rated by those who attended

However it is clear that there are other opportunities to collaborate with providers and this should include:-

- Development of a recruitment and retention strategy for the city
- Collaborative approach to developing the monitoring arrangements
- Support in moving towards “Ethical Care Charter” standards

Proposal

Although there is no mandatory uplift clause in the contract, the Council has a duty to support a diverse and high quality market and must therefore take into account all relevant factors impacting upon delivery of services, including financial costs.

The split between wages and non-wages costs varies across different business models and between companies. Using widely accepted industry standards, a 75:25 ratio of staff to non-staff costs has been used to calculate the proposed uplift. As not all staff would be subject to the NMW rise, the wages element has been further broken down to reflect this.

Cost Area	2019/20 Inflationary Uplift
75%: front line staff at or close to NMW levels	4.9% increase (in line with National Living Wage)
10%: staff at higher pay levels	2% increase (in line with public sector pay increase)
15%: non-staffing costs	2.4% increase (in line with Consumer Price Index)

This produces a total overall figure of 4.24%

A full break down of the increased rates per framework contract area is provided below:

Area	Current Framework hourly Rate	Proposed hourly rate from April 2019
A1	£15.61	£16.27
A2	£15.91	£16.58
A3	£16.16	£16.84
B1	£15.74	£16.40
B2	£15.80	£16.46
C1	£16.10	£16.78
C2	£15.80	£16.46
C3	£15.68	£16.34
D1	£15.36	£16.01
D2	£16.04	£16.71
D3	£15.36	£16.01
E1	£15.68	£16.34
E2	£15.74	£16.40
E3	£15.49	£16.14
F1	£16.48	£17.17
F2	£16.99	£17.70
F3	£17.05	£17.77
F4	£16.60	£17.30
G1	£16.66	£17.36
G2	£15.80	£16.46
G3	£15.74	£16.40

Appendix 3 - Supported Living

Background to supported living

The supported living market in Sheffield has had a period of relative stability over the past two years, aided by procurement activity, which increased the number of contracted providers on our supported living framework, and the uplift in fees in October 2017. The current supported living framework started on October 2nd 2017 and 32 providers are now on the supported living framework.

Demand for supported living services has continued to grow over the last two years. As supported living is a key model of support for adults with disabilities we expect demand to continue to increase in 2019/20. The Council's Commissioning service works closely with care managers and providers to ensure requests for supported living packages are responded to promptly, and that people requiring supported living have a choice of provider.

Pressures on the supported living market

The main pressures on the supported living market have remained constant. The key issues remain workforce challenges, mainly around recruitment and retention.

The cost model

In October 2017 we implemented a new approach to supported living fees, based on the home care fees 'cost of care' model. Based upon extensive consultation with home care providers, this model takes into account local disparities in travel time for support workers who need to travel between visits, alongside a discounted rate for supported living 'schemes' where travel time is not an issue. The framework also set a rate for sleep-in nights that reflects changes in payment regulations.

The new fee model for the 2017 supported living framework resulted in an average 9.8% increase in hourly rates for supported living providers on the 2014 framework. These rates were published in the tender process for the new supported living framework for which over 40 organisations submitted bids, including many organisations with no existing operation in Sheffield. In April 2018 the hourly rates were uplifted in line with a weighted combination of inflationary indices which include National Living Wage and CPI.

Additional support for providers:

The Council provides other support to supported living agencies to help improve the quality of care. These include:

- Regular provider forums with development opportunities
- Opportunities for providers to engage with pilots in the city, including the use of new assistive technology

However it is clear that there are other opportunities to collaborate with providers and this should include:-

- Development of a recruitment and retention plan for the city
- Collaborative approach to developing the monitoring arrangements for supported living
- Support in moving towards “Ethical Care Charter” standards

Proposal

In order to maintain the current stability of the supported living market, it is recommended that an increase in fees is offered which takes into account inflationary and wage pressures, including the increase in the National Minimum Wage from April 2019.

Although there is no mandatory uplift clause in the contract, the Council has a duty to support a diverse and high quality market and must therefore take into account all relevant factors impacting upon delivery of services, including financial costs.

The split between wages and non-wages costs varies across different business models and between companies. Using widely accepted industry standards, a 75:25 ratio of the costs of staff to non-staff costs has been used to calculate the proposed uplift. As not all staff would be subject to the NLW rise, the wages element has been further broken down to reflect this.

Cost Area	2019/20 Inflationary Uplift
75%: front line staff at or close to NMW levels	4.9% increase (in line with National Minimum Wage)
10%: staff at higher pay levels	2% increase (in line with public sector pay increase)
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This produces a total overall figure of 4.24%

A breakdown of how this would impact on the current rates is set out below

Area	Current Framework hourly rate	Proposed hourly rate from April 2019
A1	£15.61	£16.27
A2	£15.91	£16.58
A3	£16.16	£16.84
B1	£15.74	£16.40

B2	£15.80	£16.46
C1	£16.10	£16.78
C2	£15.80	£16.46
C3	£15.68	£16.34
D1	£15.36	£16.01
D2	£16.04	£16.71
D3	£15.36	£16.01
E1	£15.68	£16.34
E2	£15.74	£16.40
E3	£15.49	£16.14
F1	£16.48	£17.17
F2	£16.99	£17.70
F3	£17.05	£17.77
F4	£16.60	£17.30
G1	£16.66	£17.36
G2	£15.80	£16.46
G3	£15.74	£16.40
Discounted scheme rate	£15.07	£15.71
Sleeping night rate	£10.04	£10.46

Appendix 4 - Extra Care Housing

Background to Extra Care

There are 9 extra care/assisted living schemes in Sheffield, they range both in size and the facilities they offer, however most cater for the older age group. The first scheme opened in 2006 and was developed as part of the extra care housing strategy and to replace the Council's own care homes many of which were no longer viable and were subsequently decommissioned. The Council contributes funding through contracts in 5 of the schemes; the remaining 4 schemes were privately developed to accommodate people funding their own care and support.

The Council is currently developing an Older Peoples Independent Living Scheme (OPIL) which will be ready for occupation during the autumn of 2020. Services and support provided in the scheme will be aligned to an extra care type of approach and consideration is also being given to a further OPIL development in the city. These arrangements to support these developments will be subject to a separate cabinet report

The landlords of each scheme tend to be registered social landlords (RSL's) who operate on a not for profit basis with the on-site care and support provided by home care providers. Whilst the operation of the scheme is registered by CQC as home care, it has more similarities with the supported living schemes where providers are registered as domiciliary care providers but their work is focused around a building or house and therefore travel time is minimal.

The current care and support contracts were combined and awarded in 2015 with 3 providers across the 4 schemes some of who also provide home care, either Council funded or privately in other parts of the city. These contracts are due to expire in June 2019, although there is the option to extend these for a further year.

In 2018/19 it was agreed that the fee level for the care element only should be uplifted in line with supported living providers. The support element of the scheme has been under review over the last 12 months and the recent changes to housing benefits may now provide more opportunity for the housing landlords to provide these services in full, therefore recommendations about the future of how the support element of the contract will be the subject of a separate report. The proposal for the extension to the existing contract will also bring this in line with the development of the new schemes so the model and approach to extra care is consistent across all schemes.

The Sheffield Retirement Village receives funding for an onsite support and care provision. The provider delivers a holistic model of care and support for people living in the village particularly for a number of people who would be eligible for support and by funded by the City Council. This funding is paid via a grant agreement on a specific contract arrangement and there is no proposal to increase the level of funding at this time.

The care element is paid based on actual hours of care delivered as it fluctuates based on need. The support element is paid at the same rate each week with an overarching aim to provide support to all of the residents in activities that enable them to remain independent and without care for as long as possible.

A review of the support element of the contract is underway, this will ensure that the required service outcomes are being met and the outcome of this will form part of the new contract design and tender arrangements.

Pressures on the Market

The pressures on extra care are similar to those experienced by other social care providers, for example increases in cost of rent, registration, training and DBS checks. It is also well reported that there are ongoing issues in the recruitment and retention of staff in the social care industry, although this is less of an issue in extra care housing than in home care. In November 2017 extra care providers were asked about pressures in their market and other than those which are already stated there were no additional areas we were asked to consider.

There are specific pressures relating to the extra care providers and these are:

- The current extra care providers have not received any increase in fees since the contract began in 2015 therefore with the introduction of the living wage and other costs such as registration and training costs the pressure is increasing
- There is recognition about the similarities between extra care and supported living but because there was a recent tender for supported living and as there has been no uplift for extra care providers the difference in hourly rates between them is significant and growing
- The major pressure over the past year has been the implementation of the National Minimum Wage (NMW) to cover night time support, with HMRC investigating providers where they appear to be non-compliant with legislation. (Extra care providers need to provide emergency cover over night). The new Supported Living Framework covers the cost of this; however there has been no recognition of this in the hourly rate paid to extra care providers.

Proposal

Although there is no mandatory uplift clause in the contract, the Council has a duty to support a diverse and high quality market and must therefore take into account all relevant factors impacting upon delivery of services, including financial costs.

The split between wages and non-wages costs varies across different business models and between companies. Using widely accepted industry standards, a 75:25 ratio of staff to non-staff costs has been used to calculate the proposed uplift. As not all staff would be subject to the NLW rise, the wages element has been further broken down to reflect this.

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15%: non-staffing costs	2.4% increase (in line with Consumer Price Index)

This produces a total overall figure of 4.24%

A breakdown of how this would impact on the current rates is set out below

	2018/19 rate	Staff Cost ratio @75% of 4.85%	Staff cost increase Public sector pay 10% of 2%	Non- staff increase CPI 15% of 2.4%	Projected 2019/20 rate	£ increase
Guildford Grange	£15.07	£11.85	£1.54	£2.31	£15.71	£0.64
The Meadows	£15.07	£11.85	£1.54	£2.31	£15.71	£0.64
Roman Ridge	£15.07	£11.85	£1.54	£2.31	£15.71	£0.64
White Willows	£15.07	£11.85	£1.54	£2.31	£15.71	£0.64

Appendix 5 - Non Standard Fees

Background.

A significant proportion of local adult care and support services do not have standard fee rates. This includes 'non-standard fee' care homes, community-based services, personal assistants, money management services, direct payments and other individualised support arrangements.

This Appendix sets out the Council's proposals for fee uplift requests for non-standard fee care and support services.

Residential and Nursing with non-standard fees

The local market

The local care home market includes a number of residential and nursing care services where placement costs exceed Sheffield's standard rates – 'non-standard' fees. The majority of care homes at 'non-standard' fee rates support working age adults with learning disabilities, physical disabilities or mental health problems. Some support adults from two or more of these customer groups.

There are 33 care homes for adults with learning disabilities, physical disabilities or mental health problems in Sheffield. Most provide continuing care with a small number specialising in residential respite/short breaks services.

The market in 'non-standard' fee care homes has been relatively stable this year. There have been two exits, both on quality and safeguarding grounds. This capacity has been more than compensated for by new supported living schemes offering high quality accommodation with support from providers on our supported living framework.

Adult mental health purchase residential care and nursing care from 24 individual providers. There are over 170 placements purchased and the majority are from Sheffield based provision. In the last 18 months SCC Mental health commissioning has engaged with providers of residential and nursing care for adults with mental health needs. The result of this work has been a commitment to change the way residential and nursing care is delivered and utilised. A more focused and supported recovery approach which builds on people returning to their own home has been largely agreed. SCC is actively working to invest in this approach with current market. Work being completed by Sheffield Health and Social Care 117 reviewer role has demonstrated the possibility of this approach and helped to already shape the market over the last 3 years. This work is being supported by many of the current Sheffield providers, SCC, Sheffield Clinical Commissioning group and Sheffield Health and Social Care Trust.

Quality in care homes for adults with learning disabilities, physical disabilities or mental health problems is largely good as measured by CQC ratings. One care home is currently rated outstanding, 27 good and five as requiring improvement.

In addition to funding the above placements in residential and nursing care homes with non- standard fees in Sheffield, the also Council funds placements in a range of out of city care homes. The approach set out below covers our proposals for 2019/20 fees for both in city and out of city care homes.

The fee setting process for non-standard fees is different from standard fees. Non-standard fees are set individually by the provider or negotiated on an individual basis, and not on the basis of a standard fee level fixed by the Council.

Non-standard fees range from slightly more than Sheffield’s standard fee of £463 per week to over £4,000 per week. As an illustration, Table 1 below sets out the range of non-standard care home fees for adults with learning disabilities and mental health.

Table 1: Non-standard residential and nursing care rates for adults with learning disabilities and mental health.

Price range	No. of placements	No of Placements MH
£450 to £999	42	127
£1,000 to £1,499	41	16
£1,500 to £1,999	20	19
£2,000 to £2,999	10	8
£3,000 and over	1	2

The wide variation in non-standard fees reflects the wide variation in the nature and level people’s support needs and the diversity of services that can meet these needs. Different care homes have significantly different cost structures and specific budget pressures can impact on them in ways specific to their business.

Staffing and non-staffing/accommodation costs.

In our consultation with standard fee residential care home providers in 2016, feedback indicated a ratio of approximately 70% staff costs and 30% non-staff costs. In contrast, in ‘non-standard fee’ residential and nursing care staffing ratios can vary widely, with some homes providing one to one support, at times even higher.

Accommodation costs in many non-standard fee care homes vary significantly, and in some cases are significantly higher than in standard fee rate homes. The 2016 consultation showed a range in accommodation costs between £85 and £244 per person per week. In some high cost packages however, accommodation and non-staff costs exceed £1,000 per person per week.

Despite the higher levels of staffing (e.g. one to one support), the high levels of accommodation and other non-staff costs can result in a lower ratio of staff costs compared with standard fee care homes. As an illustration, in recent costings from one high cost non-standard fee care home provider, staff costs accounted for only 40% of the total cost.

Inflationary pressures on non-standard fee care homes

The Council recognises that individually negotiated non-standard fees will have similar market pressures as other social care providers including

- National Living Wage Increases
- Recruiting suitably qualified staff in leadership and management posts and paying an appropriate wage increase each year
- Interest rates for debt

Proposal for non-standard fee care homes

Inflationary pressures affecting staff /non-staff costs are different. As staff /non-staff cost ratios vary so significantly in non-standard fees care homes, it is not appropriate to apply a standard percentage uplift based on assumptions of standard staff /non-staff cost ratios.

Proposal: We therefore propose not to apply automatic inflation uplift, but to respond to requests on an individual basis taking into account individual needs, individual provider costs and value for money considerations. We propose an 'open book' approach, using a transparent breakdown of costs and income.

- The Council will write to all non-standard fee care homes to inform them that if the current fee for any Council placed resident is not sufficient to meet that person's support needs in 2019/20 the provider should notify the Council.
- The Council will ask the provider for details of their expenditure and income on a standard template.
- Each request will be considered on an individual basis.
- If there are no requests for an uplift then no automatic uplift will be applied.

Direct Payments

Approximately 2,400 people in Sheffield have a Direct Payment. These are individually negotiated arrangements between the person with support and support providers. Direct Payments are used for a wide range of support – including personal assistants, home care, supported living, community and day activities, short breaks and transport. In some situations Direct Payments may be used to pay relatives to provide support. Many people also use part of their Direct Payment to pay Money Management organisations to help with the financial and administrative arrangements of their Direct Payment.

Adult mental health provides over 300 direct payments to meet a person's social care needs as a result of poor mental health. These too are based on individual needs and can be a one off purchase or activities. To guide the price of one to one costs adult mental health use the recovery service framework cost per hour. This guide prices is set by the lowest banding recognising that if a person chose to have council arranged services they could be purchased at that fee level. In August 2019

the framework will be recommissioned and a new rate maybe set. This process allows market pressure to manage the fee levels.

Direct Payments for Home Care and Supported Living – the ‘guide price’ principle

Many people use a Direct Payment to purchase Home Care or Supported Living services. The Council has a framework for Home Care and Supported Living services with a range of fixed hourly rate prices depending on the type and location of the service regardless of the organisation providing the service. These rates will be uplifted in 2019/20.

Adult mental health also have a guide price for one to one costs Ault mental health use the recovery service framework cost per hour. This guide prices is set by the lowest banding recognising that if a person chose to have council arranged services they could be purchased at that fee level.

Proposal: Where Direct Payments are being used for Home Care and Supported Living it is proposed that the Council’s standard approach will be to apply the ‘guide price’ principle, where the Supported Living framework hourly rate is the maximum the Council will expect to pay. Where providers are charging Direct Payment recipients’ higher rates, the individual would normally be expected to meet the difference through their own funds. Where this creates specific difficulties, or where there are specific support requirements that create higher costs for providers, the Council would review each situation on an individual basis.

Personal Assistants.

There is no standard rate in Sheffield for a Personal Assistant. The Council expects personal assistants to be paid at least the National Living Wage, and that the direct payment recipient as the employer makes the relevant payments towards the personal assistant’s pension and National Insurance. Rates for personal assistants range from the National Living Wage to over £20 per hour, reflecting the range and nature of people’s individual support needs.

Proposal: Any need for an increase in personal assistant fees is therefore likely to vary between individual direct payment recipients. It is therefore proposed that requests will be responded to on an individual basis.

Money management

Around 60% of Direct Payment recipients use a third party account company (sometimes called Money Management) to help with the administration of payments to care and support providers. These companies levy a charge for their service which is negotiated privately between the provider and the individual. The Council has no influence or input into this negotiation. Similarly for provision of payroll services; charges are made but these are outside the remit of any fee setting processes overseen by SCC.

Proposal: Any need for an increase in fees for these aspects of people's arrangements is likely to vary between individual Direct Payment recipients. It is therefore proposed that these will be responded to on an individual basis.

Direct payment funded community-based support.

Many people use Direct Payments for support in the community, including day activities, transport, short breaks and other personalised support. These community-based services have a wide range of costs, again reflecting the diversity of individual need and choice, and the diversity of community-based support in the city. Some people also use Direct Payments to fund mainstream community activities (including membership fees) and other personalised ways of meeting their support needs, again with a wide variety of costs.

Many community-based organisations support a number of Direct Payment recipients at the same fee rate (for instance a day activities provider with a standard daily rate).

Proposal: The need for an inflationary increase in community-based support fees is likely to vary significantly between individual Direct Payment recipients. It is therefore proposed that requests will be responded to on an individual basis.

Requests from community-based support providers funded through Direct Payments for an increase in their fees are likely to vary between individual providers. It is therefore proposed that requests will be responded to on an individual provider basis using an 'open book' approach similar to that proposed for non-standard fee residential and nursing care homes.

Council arranged community-based support

The Council directly arranges and funds a small number of community-based care and support services, including community and day activities. Costs range from £30 to over £150 per person per day again reflecting the wide variation in the nature and level people's support needs and the diversity of community-based support services and activities that can meet these needs. Inflationary pressures can therefore vary significantly between different providers.

Proposal: The need for a fee increase for community-based support providers is likely to vary significantly between individual providers. It is therefore proposed that requests will be responded to on an individual provider basis using an 'open book' approach similar to that proposed for non-standard fee residential and nursing care homes.

As the new framework for mental health is awarded, any new fees will only apply to new packages. This is to encourage recovery, there may be individual cases which require the new rate but this will require agreement at the social care purchasing panel from which the package was originally agreed. Agreement will be based on individual's needs, recovery plans and length of service needed to promote recovery.

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