

Report to: EXECUTIVE CABINET

Date: 26 April 2023

Executive Member: Councillor John Taylor – Executive Member (Adult Social Care, Homelessness and Inclusivity)

Reporting Officer: Stephanie Butterworth (DASS)

Subject: ADULT SOCIAL CARE FEES 2023-24

Report Summary: The purpose of this report is to outline proposals in relation to revised provider fees to meet the increasing cost of providing Adult Social Care services for 2023/24 effective from 1 April 2023.

In addition, the proposed fees include the payment of the Real Living Wage (RLW) for all care workers in the borough from 1 April 2023.

Recommendations: That Executive Cabinet notes the content of the report and:

1. Approve the proposed new rates for care home placements as detailed in table 1 section 4.4 of the report.
2. Approve the proposed new rates for Support at Home, Standard Home Care and care provides by Routes as detailed in table 2 section 4.8 of the report.
3. Approve the spot purchase rates for sleep-in and waking nights as detailed in table 2 section 4.8 of the report.
4. Approve the proposed Adult Social Care contract values as detailed in **Appendix 1** with delegation to the Director Of Adult Services to approve a greater increase with supporting evidence.
5. Approve the proposed revised rate for additional hours commissioned in Extra Care of £17.83 per hour per section 4.10.
6. Approve the proposed Direct Payment rates as detailed in table 3 section 4.17
7. Approve the proposed Shared Lives Carer payments detailed in table 4 section 4.19
8. Approve the proposal to increase younger adults out of borough placement care packages by 6.7% with delegation to the Director Of Adult Services to approve a greater percentage rate with supporting evidence as detailed in Section 4.23.
9. Approve the proposal to increase specialist placement care packages by 6.7% with delegation to the Director Of Adult Services to approve a greater percentage rate with supporting evidence.
10. Approve the payment of older people's out of borough placement care packages at the host local authority prevailing weekly rate.
11. Approve all payment rates detailed in the report to be

effective from 1 April 2023

12. Approve the related impact of care package fee increases on the financial assessment of the service user is from 1 May 2023.
13. Approve the variation of existing contracts with providers to ensure that all relevant employees are paid at the real living wage hourly rate as a minimum effective from 1 April 2023.

Corporate Plan:

The services link into the Council's priorities:

- Help people to live independent lifestyles supported by responsible communities
- Improve Health and wellbeing of residents
- Protect the most vulnerable

Policy Implications:

Those accessing the service have been identified as having eligible needs under the Care Act 2014.

The "People at the Heart of Care: Adult Social Care (ASC) Reform White Paper" lays out a 10 year strategy to include all those who interact with social care. Not just those accessing direct services that have been identified as having eligible needs under the Care Act 2014 or assessed as requiring preventative services to delay eligibility and entrance to eligible services.

**Financial Implications:
(Authorised by the
statutory Section 151
Officer & Chief Finance
Officer)**

The 2023/24 budgets for the provision of Adult Social Care Placements and Packages of Care including related contracts (e.g. Supported Living) total £79.941m gross (£51.286m net of service user contributions).

The estimated additional cost of the proposed increase on provider fees as set out in the report is £5.827m (£4.746m net of additional service user contributions to their care package), table 5 section 5.4 refers.

In addition there is also estimated service demand pressure on the related budgets of £7.006m.

The Council has approved additional funding of £7.221m to support the related costs of inflationary and service demand increases.

The Directorate are reviewing a number of proposals to mitigate the estimated budget pressure of £4.531m which is summarised in the table below, with additional details provided in table 5, section 5.4 of the report.

	£ m
Estimated additional cost of the provider fee rate increases (net of service user contributions)	4.746
Estimated cost of additional service demand	7.006
Total	11.752
Additional budget allocated 2023/24	-7.221
Estimated budget pressure	4.531

These include (and are not limited to) .:

- A review of the level of hours provided in home care packages

- The acceleration of a review of Mental Health placement packages
- Increasing Independence in Supported Accommodation by reducing packages of care as part of my house my home work to support people into independent tenancies
- The return of service users from out of borough placements to accommodation in borough

Delivery of the mitigations will be provided within the Directorate revenue monitoring reports during the 2023/24 financial year.

The basis of the proposed provider fees will support the foundations of working towards a more sustainable provider market. In addition this will also support the transition towards the full cost recovery of charges that are included within the financial assessment of service user contributions to care packages.

The proposed provider fee rates within the report will contribute towards the mitigation of potential local provider failure. The impact of this could result in higher cost out of borough care packages.

All cost uplifts and demand pressures are to be constrained within existing resources as set out at Full Council in February 2023. There is no capacity to overspend against planned expenditure budgets.

**Legal Implications:
(Authorised by the
Borough Solicitor)**

Section 5 (1) of the Care Act 2014 provides that Local Authorities “must promote the efficient and effective operation of a market in services for meeting care and support needs with a view to ensuring that any person in its area wishing to access services in the market....(e) the importance of fostering continuous improvement in the quality of such services and the efficiency and effectiveness with which such services are provided.....”

Section 5 (2) provides in part that “In performing that duty, a local authority must have regard to the following matters in particular—

(b)the need to ensure that it is aware of current and likely future demand for such services and to consider how providers might meet that demand;..... the importance of ensuring the sustainability of the market.....(e) the importance of fostering continuous improvement in the quality of such services and the efficiency and effectiveness with which such services are provided and of encouraging innovation in their provision;

Local authorities must have regard to s.4.31 of the Care and Support Statutory Guidance in deciding on care home and domiciliary fee rates, evidencing that fee levels for care and support services are appropriate to provide the delivery of the agreed care packages with agreed quality of care..... allow for the service provider the ability to meet statutory obligations to pay at least the national minimum wage and provide effective training and development of staff. It should also allow retention of staff commensurate with delivering services to the agreed quality, and encourage innovation and improvement. Local authorities should have regard to guidance on minimum fee levels necessary to provide this assurance, taking account of the local economic environment.....

Local authorities must also have regard to the Market Sustainability and fair cost of care fund 2002 to 2023 guidance. “local authorities

should consider the impact of their own activities on the market as a whole,.....may be the most significant purchaser of care and support in an area.....local authorities must not undertake any actions which may threaten the sustainability of the market as a whole, that is, the pool of providers able to deliver services of an appropriate quality, for example, by setting fee levels below an amount which is not sustainable for providers in the long-term”.

Decisions on fee levels must be reached on rational decisions, including on the weight it places on each source of information, especially the cost of care information.

Finally, local authorities must have regard to the matters in section 149 of the Equality Act 2010.

All the contract terms and conditions provide for an annual review of the contract price, with different mechanisms for doing so and for some subject to it being affordable for the Council. Modification of the contracts in accordance with the Council’s Contract Procedure Rules will need to be undertaken and it is advised that the contract variation places an obligation on providers to pay their employees the real living wage, in consideration of the amount of uplift being applied.

Risk Management:

A complementary programme plan will be established following the approval of this report to review charges to the individuals and how these are applied. This will include Equality Impact Assessments (EIA) as required and a risk management log, which will also be reflected in the corporate risk register.

Funding the FCoC and RLW will provide stability in the social care market ensuring sufficient high quality provision is available to meet the needs of vulnerable people.

Background Papers:

The background papers relating to this report can be inspected by contacting the report writer Trevor Tench.

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1. INTRODUCTION

- 1.1 The focus of this report is the setting of revised fees for 2023/24 to meet the increasing cost of providing social care support to vulnerable adults. Work has been progressing in relation to the impact of a number of cost pressures imposed nationally on care providers that significantly challenge the financial viability and sufficiency of high quality care provision.
- 1.2 The key cost pressures faced by providers are, in the main, related to the ability to both recruit and retain staff by offering at least the Real Living Wage (RLW). In addition significant increases in non-pay costs such as insurance etc. and running costs of property (including food and utilities costs). Furthermore, the complexity of care needs is changing increasing number of staff required to support individuals.
- 1.3 Demand for service provision has been rising - the increasing number of older people and younger adults with complex and life limiting conditions and disabilities continue to add further pressure to services provided.
- 1.4 The period of the Covid pandemic and since has seen increasing numbers of people requiring care and support – seen most acutely in services supporting people to remain living in their own homes.
- 1.5 Although many people are encouraged to seek help from within their own families or communities, increasing numbers still require help and support. The people who are now receiving care and support are those with more complicated and complex care and support needs that often need more intensive (and expensive) packages of care to meet their assessed eligible needs. Success in the treatment and care of adults with severe illnesses and disabling conditions has also meant that many more people in the borough are living longer; however, they are living with one or more health issues that require help and support.
- 1.6 The rise in the demand for care and support has not been matched by an increased ability to attract sufficient numbers of staff to keep pace with the demand for support. The sector has seen a significant number of workers leaving the profession for a number of reasons – primarily rates of pay, attractive pay in other sectors (including the retail and hospitality sectors), and general illness and fatigue brought on by the intensity of working through the pandemic. This needs addressing to ensure that the social care sector is able to offer roles that are attractive in terms of pay and conditions, have positive recognition, and are valued employment options. An increased supply of workers in the sector will be essential in meeting both the current and projected future demand of an aging population for care and support.
- 1.7 The Government published its adult social care system reform white paper, 'People at the Heart of Care' on 1 December 2021. The white paper sets out a 10-year vision for care and support in England and is based around three key objectives:
 - People have choice, control and support to live independent lives
 - People can access outstanding quality and tailored care and support
 - People find adult social care fair and accessible
- 1.8 As set out in Section 5 of the Care Act 2014, local authorities have a duty to promote the efficient and effective operation of a market in services for meeting care and support needs, with a view to ensuring services are diverse, sustainable and high quality for the local population.
- 1.9 Tameside, as with many local authorities, has cultivated strong relationships with providers, working in partnership to deliver good quality care despite ongoing financial, workforce and broader pressures, in a challenging environment exacerbated by the Covid-19 pandemic. The view nationally, however, is that a significant number of local authorities are estimated to pay below the cost of providing care (based on impact assessment modelling nationally for fair cost of care). This risks undermining local markets, creating unfairness, affecting

sustainability and, at times, leading to poorer quality outcomes for those who draw on care and support services.

- 1.10 In delivering the payment of a fair cost of care, and properly valuing a skilled, professional and committed social care workforce, it is important that rates of pay to care workers is considered. The Council made a commitment in February 2022 when setting the budgets, to become an “accredited real wage employer” and to ensure all care workers are paid as a minimum at the Real Living Wage rate by 2023/24 financial year (£10.90 per hour from 1 April 2023). The fees proposed in this report will transition the majority of the adult social care workforce as a whole to this aspiration.

2. FAIR COST OF CARE

- 2.1 As previously stated the Government is implementing wide-ranging and ambitious reform of adult social care. In December 2021, the white paper ‘People at the Heart of Care’ was published.

- 2.2 As a condition of receiving future funding, local authorities needed to evidence the work they have been doing to prepare their markets and the Council submitted the following to DHSC on 14 October 2022:

- Results of the Cost of Care exercise for 65+ care homes and 18+ domiciliary care
- A provisional market sustainability plan, using the cost of care exercise as a key input to identify risks in the local market, with particular consideration given to the further commencement of Section 18(3) of the Care Act 2014 (which is currently in force only for domiciliary care) – a final plan was submitted in February 2023
- A report detailing how funding allocated for 2022 to 2023 is being spent in line with the fund’s purpose

- 2.3 Local Authorities in 2022 to 2023 were also expected to start making genuine progress towards more sustainable fee rates, where they are not already doing so. This means increasing fee rates paid to providers in respect of 65+ care homes and 18+ domiciliary care, including those who operate in extra care settings.

- 2.4 To progress the Fair Cost of Care exercise, the Council engaged CommercialGov (external consultants) to undertake a review of care providers in Tameside to complete the Fair Cost of Care and Market Sustainability exercise. The review, as per Government direction, considered the cost of delivering care for care at home provision (18+), and care homes (65+).

- 2.5 The work utilised the following methodology:

- An approach easy for providers to engage with
- Included consideration of the impact of the self-funded and private market on cost models
- Cost modelling that is locally informed, based on the actual cost incurred
- Consistent approach adopted across all providers surveyed
- Undertake benchmarking analysis with comparator authorities and NW councils
- Provide, the actual local cost of care (based on provider feedback) that supports internal decision making, commissioning and modelling of future care fees, as well as for the purpose of submission to the Government
- consider options for outcome focused approaches for paying for care, including flexible care packages, and the implications of these for service user contributions
- undertake sensitivity analysis of inflationary increases and planned and anticipated changes in Government policy

- 2.6 The response rates to the exercise were as follows:

- Residential Care Homes – 17 returns were received out of the 34 homes in the borough – this represents 50% of homes and accounts for 52% of the beds in the borough
- Homecare - 13 returns were received out of the 31 providers the Council currently contracts with in the borough – this represents 42% of providers but accounts for 81% of the hours commissioned in the borough

2.7 The data collected has been used to calculate indicative FCoC rates as they pertain locally. However due to forecast budget pressures in 2023/24 on the Adult Services revenue budget it is proposed that further analysis is carried out on the FCoC data during the current financial year to inform proposed future year provider fee rates.

2.8 Whilst embarking on the further analysis and updating of the FCoC data it is important that this work is set against the need to ensure sufficiency of capacity across the market that meets existing demand but will focus on trends in needing moving forward. This will be particularly the case in relation to the delivery of Residential dementia care, General nursing and Nursing dementia where there will be a significant increase in demand, whilst the demand for standard residential care will reduce particularly in light of the planned expansion of Extra Care Sheltered Housing provision over the coming years. There is also a need to consider redressing the balance to greater proportion of domiciliary care commissioned from the support at home Service given the improved outcomes for service users associated with the enhanced model as well as the financial benefits of the reduced packages associated with this form of support.

3. REAL LIVING WAGE

3.1 The National Living Wage (NLW) is the obligatory minimum wage that employers have to pay to workers in the UK, aged over 25 years. This law has not been around for long, as it only came into effect on 1 April 2016, adding to the National Minimum Wage act of 1998. The National Minimum Wage covers workers that are below 25 years old or apprentices.

3.2 The NLW, currently in 2022/23 is £9.50 per hour, is calculated not according to what employees and their families need to live but instead, is based on a target to reach 66% of median earnings by 2024.

3.3 The Foundation Living Wage or Real Living Wage (RLW) as it is more commonly known, is different to the NLW and is currently set at a rate of £9.90 per hour in 2022/23. The RLW rate is higher because it is calculated based on the real cost of living' not just the government minimum.

3.4 The Council has stated its ambition to become an “accredited real wage employer” and in reaching this, it would move to ensure all care workers are paid as a minimum at the RLW rate. This commitment was re-affirmed in the Adult Social Care Fees 2022/23 report approved at the Strategic Commissioning Board on 23 March 2022, although a funding source was not identified at that stage. The social care sector is struggling to recruit to many social care roles, and it is believed that one factor of difficulty is paying at the lower NLW whereas other sectors such as hospitality and retail pay above the RLW.

3.5 The NLW has been increasing annually between 2.2% and 6.6% from 2018 to 2022, whilst the RLW increased annually between 2.2% and 4.2% over the same period. The difference between the two rates had over the 5 years reduced from £0.92 to £0.40 per hour, and it was anticipated the National Living Wage would meet the Real Living Wage by April 2025.

3.6 On the 22 September 2022, the Living Wage Foundation announced that the RLW would increase to £10.90 per hour on 1 April 2023, which represents an increase on the hourly rate of 10.1%. The National Living Wage announced by Government will see the rate

increase rate to £10.42 per hour on 1 April 2023, an increase on the current rate by 9.6%.

3.7 Given full Council approval, 28 February 2023 all staff across Adult Social Care contracts are to be paid the minimum of the Real Living Wage from 1 April 2023. The proposals within this report make provision for this to be paid as a minimum to all staff working across these contracts for the 2023/24 financial year.

3.8 To pay the Real Living Wage it is important that all contract arrangements in place across Adult Services reflect payment to all staff as a minimum in revised terms and conditions. This will be done by way of contract variations to all existing contracts, and will be included within all future contract agreements going forward.

4. FINANCIAL INFORMATION

Care Homes

4.1 In setting the rates of Care Home fees, an established cost of care methodology has been developed over the years based initially on an independent review carried out by Ernst and Young in 2012. The methodology was reviewed in 2015 and a revised cost of care framework was agreed with providers which was used to revise fees paid from 2016/17 onwards.

4.2 As referenced in section 2 of the report a review of care costs has been undertaken via the Fair Cost of Care process. However, due to forecast budget pressures in 2023/24 on the Adult Services revenue budget it is proposed that further analysis is carried out on the Fair Cost of Care data during the current financial year to inform proposed future year provider fee rates.

4.3 The existing fee rate methodology will therefore continue for 2023/24 and includes the cost implications of real living wage rates for care staff from 1 April 2023.

4.4 The proposed fee rates from 1 April 2023 are provided in table 1.

Table 1

	Residential	Residential with Dementia	Nursing	Nursing with Dementia	Yew Tree – Residential Dementia Provision - Top Up
	£	£	£	£	£
Fee Rates – 2022/23					
Standard Rate	580.00	633.00	836.59	903.59	
Enhanced	620.60	677.31	893.64	965.33	32.41
Fee Rates – 2023/24					
Standard Rate	638.00	696.30	920.25	993.95	
Enhanced	682.66	745.04	983.00	1,061.86	35.65
Fee Rates – Increase					
Standard Rate	58.00	63.30	83.66	90.36	

Enhanced	62.06	67.73	89.36	96.53	3.24
Fee Rates – Increase					
Standard Rate	10.0%	10.0%	10.0%	10.0%	
Enhanced	10.0%	10.0%	10.0%	10.0%	10.0%

4.5 The nursing rates include the full value of the 2022/23 NHS Funded Nursing (FNC) at a rate of £209.19. The FNC rate for 2023/24 is £219.71 which is an increase of 5%. The full value is included in the 2023/24 nursing rates.

Support at Home/Standard Home Care

4.6 The hourly rates for the Support at Home and Standard home care models have been calculated via the existing fee rate methodology. The 2023/24 methodology ensures that workers providing Standard Home Care will be paid the RLW of £10.90 per hour. Workers in the Support at Home service will be paid an enhanced hourly rate of £11.40 per hour to reflect the additional responsibilities of the enhanced service. Table 2 provides details of the proposed fee rates in 2023/24.

4.7 As previously referenced a review of care costs has been undertaken via the Fair Cost of Care process. However, due to forecast budget pressures in 2023/24 on the Adult Services revenue budget it is proposed that further analysis is carried out on the Fair Cost of Care data during the current financial year to inform proposed future year provider fee rates.

4.8 With both care provisions there are additional spot-purchase rates for sleep-ins (£110.63 per night), and waking nights (£147.48 per night). The proposal is to retain both rates for 2023/24.

Table 2

	Homecare	Support At Home	Routes	Sleep-Ins	Waking Nights
	£	£	£	£	£
Fee Rates – 2022/23	17.73	19.22	20.62	110.63	147.48
Fee Rates – 2023/24	19.50	21.14	22.00	110.63	147.48
Fee Rates – Increase	1.77	1.92	1.38	0.00	0.00
Fee Rates – Increase	10.0%	10.0%	6.7%	0.0%	0.0%

Contract Uplifts

4.9 In line with providing funding to ensure payment of the Real Living Wage and recognise inflationary pressures it is proposed contracts for Supported Living, Extra Care, and the Dementia Day service at Wilshaw House are increased by 6.7%. The reduced percentage is in recognition of the estimated proportion of the contract that relates to care staff.

4.10 Within the Extra Care contract there is provision to spot purchase additional hours at £16.71 per hour based on 2022/23 rates. Whilst the expectation within the contract going forward that there will be no requirement to purchase additional hours, the potential in the future is that there may be extreme occasions where this is required so with the proposed inflationary uplift the revised rate for 2023/24 would be £17.83 per hour.

4.11 **Appendix 1** provides details of the existing contracts within Adult Services together with the proposed contract values for 2023/24.

Day Service Options

4.12 In April 2022 the Council moved away from a cost per placement spot-purchase arrangement to a block contract with a single route to the existing and future daytime activities. A single lead provider, Active Tameside, was identified following tender. Active Tameside has the responsibility to arrange delivery of the existing range of daytime activities with local providers along with the development of new innovative daytime options as identified by current and potential future service users as different options are requested.

4.13 The 2022/23 contract cost was £1,395,728, and the proposed cost for 2023/24 with an inflationary uplift of 6.7% will be £1,489,242.

Direct Payments Personal Assistant Rates

4.14 Once a package of care has been agreed with a service user, a personal budget is calculated which takes account of the cost of the care and in particular how the care will be provided. Service users can choose to take their personal budget as a Direct Payment, which allows the person to have their personal budget paid into their account and for them to determine how to spend the money to meet their needs in a more flexible way.

4.15 Some people choose to use their Direct Payment to commission care directly from a domiciliary care agency and the amount calculated for this is the standard home care fee detailed earlier in this report.

4.16 Care costs for people wishing to pay for their care from other sources by either acting as a direct employer themselves or using a brokerage agency such as Pay Partners are calculated as a Personal Assistant (PA) Rate.

4.17 Table 3 shows the proposed Direct Payment rates for 2023/24.

Table 3

DIRECT PAYMENTS					
Fee		2022-23	2023-24	Increase	Increase
		£	£	£	%
Personal Assistant	Per hour	12.27	13.10	0.83	6.8
Care Provider Rate	Per hour	17.22	19.50	2.28	13.3
Direct Payment	Sleep in	63.99	68.30	4.31	6.7
Direct Payment	Night Sit	108.76	116.10	7.34	6.7
Care Provider Rate	Sleep-in	114.06	110.63	-3.43	-3.0
Care Provider Rate	Waking Night	152.05	147.48	-4.57	-3.0
Managed Account	Weekly	7.33	7.90	0.57	7.8
Hydrotherapy	Session	46.44	49.60	3.16	6.8
Day Care	Day Rate	34.72	37.10	2.38	6.9
Day Care	Additional Hour	12.16	13.00	0.84	6.9
Respite	Weekly Rate	480.55	512.80	32.25	6.7

Shared Lives Scheme

4.18 The Shared Lives Scheme offers placements to adults in need of long term, respite and day care. The care is offered by trained carers in their own homes in a similar way to fostering schemes for children.

4.19 In line with the proposed annual uplift of 6.7% the fees for 2023/24 are provided in table 4.

Table 4

SHARED LIVES					
	Fees	2022-23	2023-24	Increase	Increase
		£	£	£	%
Day Support – Band 1	Per hour	7.98	8.51	0.53	6.7
Day Support - Band 2	Per hour	9.57	10.21	0.64	6.7
Day Support - Complex Needs	Per hour	14.37	15.33	0.96	6.7
Respite - Band 1	Per night	51.50	54.95	3.45	6.7
Respite - Band 2	Per night	90.43	96.49	6.06	6.7
Respite - Complex Needs	Per night	124.35	132.68	8.33	6.7
Long Term and Interim Support - Band 1	Per week	339.13	361.85	22.72	6.7
Long Term and Interim Support - Band 2	Per week	460.58	491.44	30.86	6.7
Long Term and Interim Support - Complex Needs	Per week	subject to assessment	Subject to assessment		

Out of Borough Placements

- 4.20 Placements for both older and younger adults are made across the UK either in response to the personal choice of individuals (primarily with older people – often to move closer to family) or due to the specialist nature of the placement required where there is no capacity in borough.
- 4.21 As stated previously in relation to older people’s placements the Choice of Accommodation guidance is the overriding consideration for placements being made out of the borough and agreement is in place that fees for placements will be paid at the host Local Authority rates.
- 4.22 Uplifts in relation to younger adult placements is more difficult as placements are negotiated on an individual basis to meet the assessed needs. Whilst we will offer a set rate there are increasing difficulties in getting providers to agree the offered rate, which leads us in some cases agreeing to higher rates on the basis of evidence of increased costs to ensure the continuity for individuals, especially where we have no capacity locally to meet need.
- 4.23 The plan in relation to younger adult placements out of borough would be to offer an increase of 6.7% with delegation to the Director Of Adult Services to approve a greater percentage rate with supporting evidence.

Charges for Services

- 4.24 People in receipt of social care services are expected to pay towards the cost of that care. People with savings and assets in excess of £23,250 will be expected to pay the full cost of their care which will incorporate the rise in fees proposed. Others will be expected to pay a proportion according to their income and assets.
- 4.25 A full financial assessment is carried out for all users of social care services to determine their ability to contribute towards their care costs, and this is reviewed on an annual basis to ensure that people continue to have the ability to pay and are not left unable to meet their day to day living costs at home.
- 4.26 Whilst payments to providers for the fee rate increases will be backdated to 1 April 2023, it is proposed that the related impact on the financial assessment of the service user is effective from 1 May 2023.

5. FINANCIAL IMPACT

- 5.1 The 2023/24 budgets for the provision of Adult Social Care Placements and Packages of Care including related contracts (e.g. Supported Living) total £79.941m gross (£51.286m net of service user contributions).
- 5.2 The estimated additional cost of the proposed increase on provider fees as set out in the report is £5.827m (£4.746m net of additional service user contributions to their care package), In addition there is also estimated service demand pressure on the related budgets of £7.006m.
- 5.3 The Council has approved additional funding of £7.221m to support the related costs of inflationary and service demand increases.
- 5.4 Table 5 provides a summary of the estimated cost of the proposed inflationary increases and impact of estimated additional service demand by care provision as set out in the report. In addition the table provides details of the additional funding allocated to the Directorate revenue budget in 2023/24.

Table 5

Care Provision	Provider Fee Rates - Report Reference	Estimated Gross Additional Expenditure 2023/24	Estimated Net Additional Expenditure 2023/24	Estimated Demand Pressure	Funding Allocated 2023/24	Estimated Net Budget Pressure 2023/24
		£ m	£ m	£ m	£ m	£ m
Care Homes	Table 1	2.999	1.918	5.284	-3.271	3.931
Homecare / Support At Home	Table 2	1.056	1.056	0.218	-2.907	-1.633
Direct Payments	Table 3	0.385	0.385	0.126	-0.407	0.104
Shared Lives	Table 4	0.012	0.012	-0.180	-0.010	-0.178
Out Of Borough / Specialist Placements		0.346	0.346	1.169	-0.500	1.015
Contracts e.g. Supported Living	Appendix 1	1.029	1.029	0.389	-0.126	1.292
Total		5.827	4.746	7.006	-7.221	4.531

- 5.5 The Directorate are reviewing a number of proposals to mitigate the estimated additional budget pressure due to the proposed fee increases and estimated additional service demand of £4.531m in 2023/24. These include (and are not limited to) :

- A review of the level of hours provided in home care packages
- The acceleration of a review of Mental Health placement packages
- Increasing Independence in Supported Accommodation by reducing packages of

care as part of my house my home work to support people into independent tenancies

- The return of service users from out of borough placements to accommodation in borough

Delivery of the mitigations will be provided within the Directorate revenue monitoring reports during the 2023/24 financial year.

- 5.6 All cost uplifts and demand pressures are to be constrained within existing resources as set out at Full Council in February 2023. There is no capacity to overspend against planned expenditure budgets.

6. RECOMMENDATIONS

- 6.1 As set out at the front of the report.

APPENDIX 1

Contract	Contract Value 2022/23	Proposed Contract Value 2023/24
	£	£
Mental Health - Independent Mental Capacity Advocacy	178,596	190,562
Mental Health - Advocacy	135,000	144,045
Mental Health - Community Recovery Service - Creative Support	181,545	193,709
Mental Health - Wellbeing Hub - MIND	50,000	53,350
Action Together - Core Funding	162,456	173,341
Action Together - Transport	13,000	13,871
Gardening Maintenance - Greenscape	35,604	37,989
Direct Payments - Paypartners Account	77,000	82,159
Age UK - Core Funding	84,823	90,506
Age UK - Community Support	91,440	97,566
Stroke Association	30,850	32,917
Active Tameside - Day Care	1,395,728	1,489,242
Wilshaw House - Dementia Day Service	434,448	463,556
Extra Care Housing - Melbourne, Beatrix, Fairfield, Hurst Meadow	1,450,000	1,547,150
Mental Health Supported Accommodation - Creative Support	574,533	613,027
Tameside Link	321,281	342,807
Learning Disabilities Respite - Cumberland St - Community Integrated Care	259,681	277,080
Learning Disabilities - Intensive Support - Creative Support	1,068,097	1,139,659
Learning Disabilities - Supported Accommodation – East Area – Community Integrated Care	1,541,843	1,645,146
Learning Disabilities - Supported Accommodation – North Area - Creative Support	2,021,012	2,156,420
Learning Disabilities - Supported Accommodation – North Area - Community Integrated Care	1,414,882	1,509,679
Learning Disabilities - Supported Accommodation – West Area - Creative Support	2,286,185	2,439,359
Learning Disabilities - Supported Accommodation – West Area - Turning Point	2,560,279	2,648,507
Physical Disabilities - Supported Accommodation - Lomas Court - Icare GB Ltd	240,351	256,455
Total	16,608,634	17,638,102

Estimated Additional Expenditure

1,029,468