Our Reference: CE_MG_031121_267

3rd November 2021

Rachel Tanner
Director of Adult Social Services
Bolton Borough Council
Townhall
Bolton BL1 1RU
Email: rachel.tanner@bolton.gov.uk

Dear Ms. Tanner,

Care England, a registered charity, is the leading representative body for Adult Social Care providers in England. Working on behalf of small, medium and large care home providers, Care England speaks with a single unified voice for both members and the whole care sector. Our membership includes organisations of varying types and sizes, amongst them single care homes, small local groups, national providers and not-for-profit voluntary organisations and associations. Between them they provide a variety of services for older people and those with long term conditions, learning disabilities or mental health problems. Care England is committed to supporting a united, quality conscious, independent sector that offers real choice and value for money for our older people. Our aim is to create an environment in which care providers can continue to deliver and develop the high-quality care that communities require and deserve.

Fair Price for Care
The Laing Buisson Cost of Care Benchmark, 11th Edition, published May 2020 used data prior to the Pandemic. This is likely deemed a more "normal" period for establishing the true cost of care prior to the pandemic, and a more reflective period for most council care home fee rates, which have then subsequently been inflated. This report placed residential care costs between £696 and £849, and residential nursing between £969 and £1,075.

In the same report, Laing Buisson state that English councils paid on average £596 for residential care and £764 for nursing and goes on to comment that this is "indicating *a continued shortfall in care funding and that care homes remain dependent on premium fees from private payers to generate sustainable levels of income*" which is recognised by our members.

Data collected from Freedom of Information requests, local authority websites, and provider uplift letters, indicate that fees paid by your authority, fall below the Laing Buisson Cost of Care Benchmark and certain peer authorities. We respectfully ask you to explain the process, and provide the model used, to evidence the approach your authority has taken to determine care home fees for, both nursing and residential residents living with and without dementia in CQC registered care homes. This should be irrespective of whether you operate on a set fee structure, base fee, or a needs-based fee to reflect individual need. We ask for clear evidence of how you establish an appropriate fee for residents you place in a care home.

Nursing and Residential Fee Anomaly

Local Authority funded residents with a health condition, and requiring a nursing intervention, benefit from FNC funded by their respective CCG, which pays for the nursing care component of the nursing home fees. The rules of FNC prohibit cross-subsidisation, meaning FNC should not be used to cover the cost of the personal/social care element of the care provided, and are for the nursed element of the care only.

Our enquiries evidence that certain rates proposed for your authority for nursing residents with/and without dementia appear to be equal to than residential residents with/and without dementia (net of FNC). This appears extraordinary, as our data shows that commissioners, save for a few exceptions, state nursing rates for all care types are above those of a residential resident with similar conditions.

It is widely accepted and evidenced by most commissioners, that a person requiring nursing intervention in a registered nursing home, requires a higher degree of personal care, due to their health condition, and as such would see a higher fee as a result (excluding FNC), than a resident not requiring a nursed intervention, or receiving their nursing support via community nurses.

It would be very helpful therefore if you could explain how, you have calculated the cost of both residential and nursing residents with/and without dementia and to provide your costing model to illustrate accordingly.

2022-23 Care Home Fees

As councils no doubt enter another period of fee review and post the Chancellors SR21 budget, which announced the National Living Wage uplift of 6.6%, and inflation to September 21 of 3.1%, we want to express the concerns of our members about the fees to be paid from April 2022. Our members are seeing pressure on workforce recruitment and retention, increasing agency costs due to workforce shortfalls, low occupancy, the financial impact on costs as a result of Brexit, the transport and fuel crisis, and rising utility costs.

We would again ask that you confirm your timelines for collecting any necessary data, key dates and decision processes for determining the 2022-23 fee rates, uplift, and the 2022-23 approach to funding care, so we can assist our members in planning to ensure high quality care is sustained in the future.

Yours sincerely,

M L Green

Professor Martin Green OBE
Chief Executive, Care England