

Our Ref: JH/KF
Your Ref: CE_MG_041121_277
Please contact: Jill Holbert
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Date: 20 January 2022



Adults Services and Wellbeing
c/o Halifax Town Hall
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Professor Martin Green OBE
Chief Executive, Care England
40 Artillery Lane
LONDON
E1 7LS

Via email: MGreen@careengland.org.uk

Dear Professor Martin Green

I am writing in response to your letter dated 4th November, regarding Care Home Fees. Please accept my apologies for the delay in replying.

In your letter you state that the fees paid by Calderdale authority, fall below the Laing Buisson Cost of Care Benchmark and certain peer authorities and ask that we explain the model used for determining care home fees.

Calderdale does not currently have a costed model of care for care homes, standard fees are paid but these often include substantial additional payments taking into account the individual needs of the residents. We compare our annual fees with neighbouring authorities to ensure that base fees are broadly in line within the region.

Calderdale is currently working with the ADASS (Association of Directors of Adult Social Services) Yorkshire and Humber Commissioning Network of which we are a member to complete a cost of care exercise for care homes. The network will use a Funded Cost of Care tool that was previously developed by ADASS and is currently being updated to ensure that it accurately reflects and includes the costs associated with delivering good quality older people's residential and nursing care. Each authority in the Yorkshire and Humber region will undertake a funded cost of care exercise working with care home providers within their own area. This will include separate cost of care exercises for residential and nursing provision. The ADASS commissioning network will then benchmark the results of the exercise across the Yorkshire and Humber region and identify any significant differences in the results that cannot be accounted for by the small variations in local care markets within the region. The Funded Cost of Care exercise will commence in March 2022 and it is anticipated that this will conclude in summer 2022 to ensure that local care home providers are engaged and included in completing the exercise.

In relation to the fees paid for adults with a learning disability or mental health needs who reside in residential or nursing care, Calderdale does not have a standard fee rate and the cost of care is agreed based on the person's individual care and support needs.

2022-23 Care Home Fees

In response to your request for 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, I can



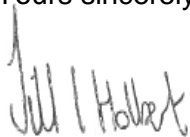
advise that Calderdale has already in partnership with other West Yorkshire authorities and CCGS made funding available to care providers to bring forward the National Living Wage Uplift to 1st December 2021.

Whilst there are clearly some constraints on the amount of Government funding available, Calderdale is keen to ensure a 'fair cost of care model' and to agree fees that are reflective of the increased demands and expectations on the care market. Through Council budget setting processes we are hoping that the fee uplift will enable care providers to pay their staff above the National Living Wage rate, on a trajectory towards achieving the 'Real Living Wage' for 2024. The budget and final fee uplifts will not be agreed until February 2022.

Calderdale considers a range of factors to determine annual fee uplifts and business operating models are believed to be central to this. Calderdale has to ensure that providers are ethical in their recruitment and retention of staff. We remain committed to developing a fair cost of care model which will be done in collaboration with care providers and will continue to lobby Central Government for a long term funding formula to ensure we can have a sustainable and resilient care market.

I hope that the above answers your questions and provides some assurance that Calderdale is aware of the increasing pressure on workforce recruitment and retention, increasing agency costs, low occupancy, as well as the rising utility costs.

Yours sincerely

A handwritten signature in black ink that reads "Jill Holbert". The signature is written in a cursive style with a large initial 'J'.

Jill Holbert
Assistant Director Commissioning and Partnerships

Iain Baines
Director for Adult Services and Wellbeing