

Our ref: MS/JC

Service: Integrated Commissioning Hub

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Professor Martin Green OBE
Chief Executive
Care England
40 Artillery Lane
London E1 7LS

Dear Professor Green

Low Fee Up-Lifts Undermine Care Sector

Thank you for your letter dated 12th May 2022 where you express concern regarding the uplifts awarded by Dudley MBC for 2022/23.

The uplift for 2022/23 considered all the cost pressures that you have highlighted in your letter and also carefully consider the forthcoming activity we have planned to support the Dudley Market. The activity and decisions made are outlined below:

Residential and Nursing Care

Prior to the covid pandemic we identified the need to work with the residential and nursing care market for adults 65+ due to significant disparities in fees paid over and above the stated contract rate. We outlined a project to be undertaken that would provide participating homes with a significant increase to our contract rate and remove the need for additional premiums and 3rd party Top ups that relate more to historic fee issues than enhanced facilities that a home may offer. This will essentially create a framework of homes with a more sustainable rate for placements going forward, clearly articulated expectations and defined bandings for care. This will be in addition to the 3.5% that has been awarded and is in recognition of the increased acuity of need.

Due to the pandemic this project like many others was halted, however we are committed to progressing this project this year and this will be alongside the Fair Cost of Care work we are undertaking.

The 3.5% was awarded on the understanding that the above work will be undertaken. We are aware that DHSC has decided to make direct financial awards to nursing homes with registered nurses, backdating this to 2021/22.



Home Care

The uplift awarded to home care providers acknowledged the challenges of the dispersed workforce and travel costs. The uplift awarded was 5.4%. The Home care market as you will be aware are included in the Fair Cost of Care and therefore will also benefit from this exercise. We have seen a significant demand for home care. We are currently working with partners on a large Extra Plus development as home first and support to live independently remains out strategic goal for our citizens where possible.

Disability Market and Wider market

Whilst the Fair Cost of Care Fund does not address the needs of the disability market, Dudley has made a commitment to the market to replicate the detailed fair cost of care data analysis to better inform decisions going forward with regard to uplift decisions and potential differential uplifts, recognising the huge disparity in fees across this market.

We have made a commitment to the market to work with providers to look at new models of care especially focusing on current and future complex needs demand.

We acknowledge that providers have largely exhausted efficiency opportunities within their services but also recognise that there has been an overreliance on traditional models of care for some services. Different commissioning models that provide longer contract duration and flexibility within contracts or arrangements are being explored, including working with voluntary sector and non-commissioned markets. The direct payment market received 3% uplift and is being targeted for development and greater support going forward.

We have established a workforce strategy group and are supporting providers to attract and recruit staff, the council is also progressing a social care promotional campaign. We are also working with health partners to support recruitment into social care. During the pandemic our priority was to pass on as much grant funding as possible to the market as quickly as possible and this included provision of technology in addition to the NHSX equipment.

The uplift decision each year has to balance the ongoing financial pressures of the council and the pressures for the social care market; the uplift decision is made based on available budget. This year Adult Social Care has been recognised corporately within Dudley MBC as a priority area for investment with an additional £2m investment into commissioned services being agreed by Full Council in March.

Whilst the demand for care and acuity of need in social care increases year on year, alongside increased costs to deliver care the financial resources for councils has not kept pace and we have to ensure we can deliver our statutory duties with less. We welcome the Fair Cost of Care but as noted above it excludes a significant part of social care markets.

The Fair Cost of Care analysis is being undertaken for the whole market so that we can publish our plans and commitment to the whole market going forward. We are working with providers to consider how we can best support them with the limited resources we



have and work towards a fair cost of care going forward via new models of care and new frameworks.

Yours Sincerely



Marie Spittle
Head of Access & Prevention and Interim Head of Commissioning, Performance & Partnerships

