

By email

Adults and Health
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Contact: Mark Phillott
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Date: 17th March 2021

Dear Manager/Provider

2021/22 Residential and Nursing Care Fee Review

I am writing to inform you that the 2021-22 an annual inflation related fee increase will be applied for care homes services with effect from 1 April 2021, following completion of the approvals through the delegated decision process on the 17th March 2021.

The Council has used the costing model developed as part of the current contract to determine the fee increase. This is based on specific assumptions including increases in the National Living Wage for low paid staff and the Consumer Price Index (CPI) for indirect costs. There will be no increase applied to the capital element of the fee.

Subject to approval of the delegated decision and on expiry of the call-in period under the Council's constitution, the overall increase in the care home fees will be:

Core Fee

	Residential	Residential Dementia	Nursing	Nursing Dementia
% uplift	1.4%	1.5%	1.5%	1.5%
New core fee	£567	£608	£599	£625
£ uplift	£8	£9	£9	£9

Core Fee with Quality Premium Payment (QPP)

	Residential	Residential Dementia	Nursing	Nursing Dementia
% uplift	1.4%	1.4%	1.5%	1.4%
New core fee with the QPP	£591	£632	£623	£649
£ uplift	£8	£9	£9	£9

Once the decision has been made by the Director it will be subject to call-in however, if the decision is not called in, we will be able to implement this increase and the new fee rates will be implemented from the 1st April 2021. Should there be any delay in the approval process or call-in, then the increase will be backdated so that the new fee will still apply from 1 April 2021.

The Council also recognises that the care home sector in the city is continuing to experience on-going cost pressures resulting from the pandemic, and in particular the low levels of occupancy that some homes are currently experiencing resulting from deaths and lower admissions than previously seen. The Council is considering proposals to allocate some additional temporary funding to care homes in the city to help those homes who are experiencing unprecedented low occupancy levels arising from the effects of Covid-19. The Council is aware of a scheme that is operating in a neighbouring local authority and finance colleagues are assessing how a similar scheme could operate in Leeds, within the constraints of the Council's budgetary position and within the context of any further Covid related financial assistance that may be allocated by Central Government during 2021/22. I hope to be able to bring you further news of how this scheme will work over the course of the next few weeks. Any additional temporary funding will be allocated for a period of time starting from April 2021.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mark Phillott', with a stylized flourish at the end.

Mark Phillott
Head of Commissioning