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**2021/22 INFLATIONARY PRICE UPLIFTS FOR ADULT SOCIAL CARE SERVICES
PURCHASED BY SURREY COUNTY COUNCIL**

Dear Sir/Madam,

This letter sets out Surrey County Council's (SCC) approach to uplifting fees paid for Adult Social Care (ASC) services for inflationary pressures in 2021/22.

I would like to thank you for your hard work and continued commitment to providing vital services to vulnerable residents of Surrey. The COVID-19 (C19) pandemic presented the sector with many challenges and the Council remains greatly appreciative of how ASC providers have worked with us to support residents in these unprecedented times. Although the challenges have by no means come to an end, we are optimistic that we can now collectively look forward to and start planning for a return to a greater degree of normality in the summer and beyond.

The pandemic has placed significant financial as well as operational burdens on providers and the Council. SCC has worked diligently to put in place an extensive C19 financial support offer for Surrey's ASC market over the last year. Working closely with the Surrey Care Association we have distributed over £40 million of Infection Control Fund, Rapid Testing Fund and ASC Workforce Capacity Fund grants whilst supporting providers to comply with the grant conditions so that they meet the criteria in order to qualify for grant payments. In addition, we have paid more than £10 million of goodwill grants and other support payments out of SCC's own funds. This combined financial support package of more than £50 million has been essential in stabilising the market during the pandemic and keeping residents and families safe and supported.

In the context of this extensive C19 financial support package, and our continued commitment to work closely with our provider market, this letter focuses solely on inflationary pressures in 2021/22, and the uplifts to fees that SCC will be paying to ASC providers.

Overarching inflationary uplift for 2021/22

I am pleased to be able to confirm that SCC will be awarding an overarching inflationary uplift across all ASC market sectors of 2% for 2021/22. We feel this is a very fair uplift in fees taking into account changes to pay rates (including the 2.2% increase in the National Living Wage from 1st April 2021) and the fact that general inflation is at a near all-time low - the 12 month inflation rate for the Consumer Price Index was 0.9% at the end of January 2021.

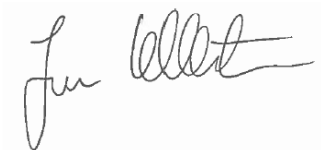
Application of inflationary uplifts for different ASC market sectors

Details of how the 2% inflationary uplift will be applied to each market sector are set out in Appendix 1. **Please read this information carefully.**

We will not be awarding inflationary uplifts outside of the parameters set out in Appendix 1, so we would please ask that you do not write to request an uplift outside of these parameters, or in excess of 2%, as any such requests will be rejected. This to ensure fairness across the whole market and in recognition that SCC has limited financial resources with which to award inflationary uplifts to providers.

If you have any questions about the content of this letter to avoid misdirection or delay please write to asc.marketengagement@surreycc.gov.uk.

Yours faithfully,



Jonathan Lillistone
Assistant Director for Commissioning
Adult Social Care, Surrey County Council

Appendix 1: Application of 2021/22 inflationary uplifts by ASC care sector

Older People nursing and residential care homes

As set out in the table below, SCC will be uplifting its guide prices for Older People nursing and residential care home beds by 2% from 1st April 2021.

Financial year	SCC guide prices per week		
	Residential Frail (non-dementia)	Residential Dementia	Nursing (excluding Funded Nursing Care)
2020/21	£650	£700	£750
2021/22	£663	£714	£765

All existing placements funded by SCC in Older People care homes active as at 31st March 2021 at or below the 2020/21 guide prices will be uplifted by 2% from 1st April 2021 to reward those providers who have offered SCC beds at the guide prices. Schedule payments made for these services will be uplifted automatically by 2%.

Any existing placements above the 2020/21 guide prices will not be uplifted.

Providers will be aware that SCC is currently working with the market and partners to develop an approach to future purchasing of residential and nursing placements, which providers are invited to contribute to by writing to asc.marketengagement@surreycc.gov.uk.

Learning Disability nursing and residential care homes

Fees for providers that participated in and successfully agreed a new pricing structure through the Cost of Care project conducted for this care sector will be uplifted by 2% from 1st April 2021. Schedule payments made for these services will be uplifted automatically by 2%.

Fees for any Learning Disability care homes that did not participate in or complete the Cost of Care project will not be uplifted.

Physical / Sensory Disability or Mental Health specialist nursing and residential care homes

Fees for any care homes that are specifically focused on the provision of care for working age adults with physical or sensory disabilities, or mental health problems, will be uplifted by 2%. Schedule payments made for these services will be uplifted automatically by 2%.

Home care

An uplift of 2% was awarded to providers on the Approved Provider Status (APS) framework effective from 1st October 2020 until 30th September 2021 when this framework comes to an end.

As providers will be aware, a new framework is being commissioned to come into effect from 1st October 2021. Prices for new care packages for providers accepted onto the new framework will be fixed for the first 18 months and then subject to annual inflationary reviews from 1st April 2023 and each year thereafter in line with all other market sectors.

Existing care packages on the current APS rates will be uplifted by 2% from 1st October 2021. This awards the standard 2% inflationary uplift agreed for 2021/22 with this being applied for the period 1st October 2021 to 31st September 2022. A further review will take

place in the next financial year to determine if any further uplift will be applied for the period 1st October 2022 to 31st March 2023. From 1st April 2023, any remaining legacy care packages will be subject to the same inflationary reviews as home care packages on the new framework.

Extra Care Housing

Where providers received a 2% uplift in fees from 1st October 2020 for the care and support services they deliver in extra care housing schemes in line with the uplift awarded for home care packages on the Approved Provider Status framework, these packages will be uplifted in line with uplifts set out above for home care services. Fees will therefore be increased by 2% from 1st October 2021, as there is already an uplift in place covering the period up to 30th September 2021.

Where providers deliver care and support services in extra care housing schemes that were not uplifted from 1st October 2020 in line with home care APS framework packages, fees for these packages will be uplifted by 2% from 1st April 2021. Providers will need to invoice for these services at their current rates plus 2% as they are not paid by automatic schedule payments.

Learning Disability supported living care services

Fees for providers that participated in and successfully agreed a new pricing structure through the Cost of Care project conducted for this care sector will be uplifted by 2% from 1st April 2021. Schedule payments made for these services will be uplifted automatically by 2%.

Fees for any Learning Disability supported living services that did not participate in or complete the Cost of Care project will not be uplifted.

Mental Health supported living care services

SCC commissioned a new framework for Mental Health supported living care services from 1st April 2020 running until 31st March 2024. Prices are fixed to the end of this framework from whenever care providers join, and new care packages will only be commissioned with providers on the framework.

Therefore, no uplifts will be awarded for Mental Health supported living services. Providers on the framework have already agreed prices covering inflationary pressures over the life of the framework, and prices will only change for providers not currently on the framework if they apply to join it.

Specialist Physical or Sensory Disability supported living services

Fees for any supported living care settings specifically focused on the provision of care to working age adults with a physical or sensory disability will be uplifted by 2% from 1st April 2021.

Providers will need to invoice for these services at their current rates plus 2% as they are not paid by automatic schedule payments.

Shared Lives placements

Fees for all shared lives placements will be uplifted by 2% from 1st April 2021.

Providers will need to invoice for these services at their current rates plus 2% as they are not paid by automatic schedule payments.

Day care

Fees for all individually purchased day care packages across all client groups will be uplifted by 2% from 1st April 2021.

Providers will need to invoice for these services at their current rates plus 2% as they are not paid by automatic schedule payments.

Short breaks respite services for people with disabilities

A review of short breaks respite services for people with disabilities is currently underway. The purpose of this review is to understand how our offer might need to be remodelled to offer a greater range of options that reflects eligible needs. The review and offer redesign will be undertaken with stakeholders.

Prices for short breaks respite services will remain unchanged until the outcome of this review is confirmed and so will not be uplifted as standard from 1st April 2021. Any changes to prices agreed through the review will be backdated to 1st April 2021.

Housing related support contracts

The total value of all housing related support contracts will be uplifted by 2% from 1st April 2021.

Payment of the uplift will automatically be included in your scheduled monthly payments. Alternatively, if you raise service related invoices please do so at the uplifted rate. If you need further information or assistance please email housingrelatedsupport@surreycc.gov.uk.

Carers contract and grants

The application of uplifts to contracts or grants for carers services commissioned by SCC on behalf of Surrey's whole health and social care system will be determined by the Joint Carers Commissioning Group made up of representatives from SCC, Clinical Commissioning Groups and organisations supporting carers.