

REPORT TO: Executive Board Sub Committee
DATE: 17 March 2011
REPORTING OFFICER: Strategic Director, Adults & Community
SUBJECT: Inflationary Increases for Adult Social Care
2011/12
WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To present to the Executive Board Sub Committee the proposed 2011/12 inflationary increases for Adult Social Care contracts.

2.0 RECOMMENDATION: That:

- i) an inflationary uplift for providers of Domiciliary, Residential & Nursing contracts of up to 2%, which is within the inflationary allowance allocated by the Council to Social Services for 2011/12.**
- ii) inflationary uplifts for out-of- borough placements are awarded on a case-by-case basis, limited to the 2% HBC inflationary increase or the prevailing Local Authority rate.**

3.0 SUPPORTING INFORMATION

3.1 The Council have approved a 2% inflationary uplift on Social Care budgets for 2011/12. It is therefore proposed that contracts for the provision of Domiciliary Care are awarded an equivalent inflationary uplift of 2%.

3.2 A range of rates apply according to tendered prices. However, spend is minimised by the practice of seeking to purchase new packages from providers holding block and spot contracts (following the 2009 tender); or spot contract providers with the lowest hourly rate. The new rates for domiciliary care are shown in appendix 1.

3.3 Domiciliary Care

3.3.1 Residential and Nursing Care Fees

Again, in line with the approved 2% inflationary uplift on Social Care budgets in 2011/12, it is proposed that contracts for the provision of

Residential and Nursing placements are awarded an equivalent inflationary uplift of 2%. The new fees for residential and nursing care are stated in Appendix 1.

3.3.2 **Out of Borough Placements**

It is proposed that the inflationary increase applied to out of borough placements is decided on a case by case basis as follows:-

- Providers to be informed that inflationary increase will be subject to submission of a written request to HBC contracts department within a specific timeframe
- Any increase within the agreed HBC rate of 2% to be approved and applied.

Any increase above 2% to be approved by a relevant Operational Director, based on the information submitted by the provider, confirmation of the host authorities approved inflationary rate and knowledge of the ongoing need for the specific service. This is consistent with historical practice.

4.0 **POLICY IMPLICATIONS**

- 4.1 Prices set should be realistic to allow the Directorate to achieve a balanced budget and to maintain quality services to vulnerable people.

5.0 **FINANCIAL IMPLICATIONS**

- 5.1 Provision exists to meet increased expenditure to providers within the Council's approved budget.

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

6.1 **Children & Young People in Halton**

None identified.

6.2 **Employment, Learning & Skills in Halton**

None identified.

6.3 **A Healthy Halton**

The provision of services that meet people's needs improves their health and wellbeing.

6.4 **A Safer Halton**

The provision of care services that meet people's needs increases

their safety and mitigates risk.

6.5 **Halton's Urban Renewal**

None identified.

7.0 **RISK ANALYSIS**

7.1 Approval of a 2% increase will ensure stability of provision across the social care sector.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 Increases will be applied through a transparent and equitable process.

9.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None.

APPENDIX 1

Residential and Nursing Care

Current (2010/11) Rate	£	Proposed % Increase	New Cost (£) 2%	
Basic Residential	357.9	2	365.06	
Dementia Residential	421.98	2	430.41	
Basic Nursing	382.43	2	390.08	plus FNC
EMI Nursing	439.8	2	448.60	plus FNC

* FNC Costs paid by PCT

2010/11 -Projected Expenditure of Residential Care	5,264,323
The costs of implementing the 2% inflationary increase	105,286
Total	5,369,609

Domiciliary Care

Provider Name	Current Price 2010/11 (£)	Proposed % Increase	New Cost (£) 2%
I Care	10.71	2	10.92
Just Care	10.91	2	11.13
Homecare Support	11.10	2	11.32
Carewatch	11.18	2	11.40
Local Solutions	11.22	2	11.44
Caring Hands	11.99	2	12.23
Castlerock Care	11.31	2	11.54
M-Power	12.50	2	12.75
First Call Healthcare	11.48	2	11.71
Premier Care	11.22	2	11.44
DH Homecare	12.20	2	12.44

2010/11 -Projected Expenditure of Domiciliary Care	3,159,866
The costs of implementing the 2% inflationary increase	63,197
Total	3,223,063