

# Public Document Pack

North Yorkshire Council  
Health and Adult Services - Executive Member & Corporate Director Meeting

Friday, 22 March 2024 / 11.00 am

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## A G E N D A

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### 1 **Declarations of Interest**

#### **Items for Corporate Director decision**

- 2 Proposal for Harrogate and Rural Alliance partnership agreements  
2024/2025  
(Pages 3 - 8)
- 3 Fees payable for external providers of social care provision  
(Pages 9 - 18)
- 4 Fees for inhouse community care services 2024/2025  
(Pages 19 - 22)
- 5 Date of next meeting: 12 April 2024 1:30pm

#### **Circulation:**

##### **Executive Members**

Michael Harrison

##### **Officer attendees**

Richard Webb

##### **Presenting Officers**

Karen Siennicki  
Anton Hodge  
Abi Barron

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**North Yorkshire Council**  
**Health and Adult Services**  
**Executive Member Meeting**

**22/03/2024**

**REPORT TO** Corporate Director of Health and Adult Services (HAS) in consultation with the Executive Member for Health and Adult Services

**EXTENSION OF THE S75 PARTNERSHIP AGREEMENT FOR THE INTEGRATED SERVICE DELIVERY OF COMMUNITY HEALTH AND ADULT SOCIAL CARE SERVICES IN THE HARROGATE, RIPON, KNARESBOROUGH, BORIUGHBRIDGE AND NIDDERDALE AREAS (HARROGATE AND RURAL ALLIANCE)**

## **1.0 Purpose of Report**

**To consider a proposal for the extension of the Existing Section 75 agreements and Alliance Agreement for the Harrogate and Rural Alliance for a period of twelve (12) months.**

The partnership has been governed by two Section 75 agreements, between the Humber and North Yorkshire Integrated Care Board and North Yorkshire Council and Harrogate and District NHS Foundation Trust and North Yorkshire Council and other partners.

In addition, there is an Alliance Agreement which includes the parties to both section 75 agreements and also Tees Esk and Wear Valleys NHS Trust and Yorkshire Health Network (the local general practice federation).

It is proposed that the Section 75 agreements and the Alliance Agreement is extended until 31 March 2025 and that further consideration is given during this time period for any future commissioner and alliance arrangements, as well as to service provider partnerships.

## **2.0 Executive Summary**

The Harrogate and Rural Alliance (HARA) has been operating since 30 September 2019. It is providing community health and social care to the people, over 18 years of age, who live in the Harrogate and Rural area. It is an alliance of five partners governed by two Section 75 Agreements and an Alliance Agreement. These agreements have been extended twice previously and we now need to put in place new agreements that will facilitate the next phase of HARA's development.

The partners had three aims when the Section 75 agreement was launched: -

- Improving the Health and Wellbeing of people in Harrogate and Rural District (Better Health, Good Quality of Life, Reduced Inequalities)
- Maintaining the high quality of care, with people at the heart of everything we do
- Making the Health & Social Care System affordable and sustainable

The COVID pandemic fostered closer co-ordination between health and social care partners in the HARA area but delayed some of the more ambitious plans for integration. This report proposes an extension of Section 75 legal arrangements so that integration can be tested further during 24/25 and a more informed decision can then be reached about any potential longer term arrangements.

### **3.0 Background**

The HARA service comprises:

- HDFT community health services (including some sub-acute fast response and rehabilitation services that prevent unnecessary hospital admission and/or support people to be discharged home)
- NYC adult social care community teams (social work, occupational therapy, reablement)

The Section 75 Partnership Agreement commenced on 03 October 2019 for three years, with the option to extend thereafter on a year-to-year basis at the Parties' discretion for a maximum period of ten years.

The parties entered into an extension agreement for 12 months from 1 April 2022 to 31 March 2023.

The parties entered into an extension agreement which extended the term for 12 months from 1 April 2023 to 31 March 2024.

The alliance has been governed by two Section 75 Agreements: a commissioner S75 Agreement between the Humber and North Yorkshire Integrated Care Board (ICB) and North Yorkshire Council and a provider S75 Agreement between Harrogate and District NHS Foundation Trust (HDFT) and North Yorkshire Council (NYC).

In addition, there is an Alliance Agreement which includes the parties to both section 75 agreements and also Tees Esk and Wear Valleys NHS Trust and Yorkshire Health Network (the local general practice federation).

The original aim and ambition of these agreements was to deliver an integrated operating model that brought together community health and social care services for adults in Harrogate.

### **4.0 Issues**

The COVID pandemic and the introduction of a national pathway for hospital discharge has made it very difficult to baseline and evidence progress against the original objectives set out to

test the benefits of the HARA service. The consequences of the pandemic have included high levels of hospital admission, hospital discharge and community activity – for example, for some time now, average daily discharges rates have been 50-100% higher than pre-COVID; community activity has been returning and, in some cases, exceeding, pre-COVID levels; there has been much greater demand for people to convalesce in short-stay care beds, pending longer-term decisions about future care; waiting lists have increased; and costs have escalated due to labour market pressures. These symptoms of COVID's impact have been as true in the HARA area as they have in the rest of the UK.

Whilst progress has been made in the last year to improve social care recruitment and to develop a range of new NHS/social care discharge services, there is more work to be done to both deliver NHS and social care priorities and to ensure that more people are supported at home.

It is therefore proposed that the Section 75 agreements and the Alliance agreement is extended by 12 months up until 31 March 2025, to enable the HARA service to focus on:

- Key social care objectives (reducing waiting lists and times, increasing care reviews and carers' assessments, increasing direct payments, etc)
- Key NHS community health objectives
- Shared objectives (for example, around reducing the number of people moving into short stay beds/permanent 24-hour care admissions; further prevention of hospital admissions; further steps to keep pace with hospital discharge requirements) known as "Intermediate Care"
- Containment of/reduction of cost pressures in both the Council and the NHS
- Recruitment and retention of health and social care workers
- Evidence of improved satisfaction/outcomes for people who use HARA services

The Chief Executive of HDFT, the Corporate Director at NYC and their respective teams, alongside ICB representatives, will meet periodically during 24/25 to review progress against objectives/metrics and will then make recommendations back to Members and to NHS Boards about any future considerations for partnership arrangements beyond 31 March 2025.

## **5.0 Performance Implications**

NHS and Council partners will agree a set of metrics and objectives during the early part of Quarter 1 2024/45 to provide a baseline for testing out HARA's performance. These metrics will need to reflect:

- Key social care objectives (reducing waiting lists and times, increasing care reviews and carers' assessments, increasing direct payments, etc)
- Key NHS community health objectives
- Shared objectives (for example, around reducing the number of people moving into short stay beds/permanent 24-hour care admissions; further prevention of hospital admissions; further steps to keep pace with hospital discharge requirements) known as "Intermediate Care"
- Containment of/reduction of cost pressures in both the Council and the NHS
- Recruitment and retention of health and social care workers
- Evidence of improved satisfaction/outcomes for people who use HARA services

## **6.0 Alternative Options considered**

Three (3) other potential options have been considered with regard to the development / future of the HARA model

1. Ending both Section 75 agreements and replacing them with a different, longer-term contractual arrangement – however, it is felt that more testing of the benefits of the current integrated model are needed before new longer-term arrangements are considered
2. Ending the HARA integrated model with effect from 31 March 2024 – this option would feel premature given the fact that COVID has impacted significantly on the original ambitions and baseline objectives and metrics for HARA.
3. Extending the current Provider Section 75 agreement for longer than 1 year. There are contractual limitations of how long this agreement can be extended for and therefore it is important that this next twelve months are efficiently used to fully explore any future agreements.

## **7.0 Financial Implications**

This section 75 arrangement currently works under a general principal of a “pooled fund” which defines budgets for each party and an aligned budget (currently £67m across HDFT and NYC) for the delivery of the HARA service. The pooled fund covers the costs of a small number of joint appointments within the service. This Section 75 agreement supports shared budgets, but the principal of shared budgets has not been implemented. There are no plans to implement a shared budget in the extension. Therefore, the estimated whole life costs represents the Adult Social Care Budget for the Harrogate locality only. In the context of this Agreement, any underspends or overspends will be the responsibility of the relevant party and not shared.

As a result of this there are no new financial implications to North Yorkshire Council in respect of the extension to the Section 75 agreement or the alliance agreement.

## **8.0 Legal Implications**

The proposed extensions are within the scope of the two original S75 Agreements and the Alliance Agreement.

## **9.0 Consultation undertaken and responses**

North Yorkshire Council has consulted with HDFT and the ICB and all partners are in agreement with the proposed extension.

## **10.0 Contribution to Council priorities**

This model would support the wider work currently being undertaken between the NHS and NYC around the development of a countywide intermediate care model. It will also reinforce the focus on adult social care improvement priorities (including reducing waiting lists, increasing care reviews and carers’ assessments and direct payments) and managing/containing cost pressures.

## **11.0 Reasons for recommendation**

The benefits of extending the Section 75 Agreements and the Alliance Agreement is that the legal framework is already in place; the extension has been agreed by partners; and it allows the work to be undertaken to develop the intermediate care model and review the wider HARA model in terms of the vision for this moving forward.

The proposal is to focus on the core responsibilities of HDFT and NYC, including the development of the intermediate care model; with the latter focus including, potentially:

- Community Discharge Hub
- Supported Discharge Beds
- Reablement
- Occupational Therapy Team
- Urgent Community Response
- Intermediate Care beds (managed by NYC care provider services)

#### **14.0 Recommendation**

It is recommended that the Section 75 Agreements and the Alliance agreement for the Harrogate and Rural Alliance is extended, within the scope of the original contract, for a term of 12 months from 01/04/2024 to 31/03/2025 and that a further report will be brought forward for consideration during 2024/25 on any longer-term arrangements proposed for April 2025 onwards.

**Karen Siennicki**  
**Assistant Director Adult Social Care**

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## NORTH YORKSHIRE COUNCIL

### Health and Adult Services Executive

#### Fee uplifts for Residential, Nursing, Home Based Support, Supported Living and Community Based Services 2024/25

22 March 2024

#### 1.0 PURPOSE OF THE REPORT

- 1.1 This report informs the Executive member of proposed fees for Residential, Nursing, Home Based Support, Supported Living and Community Based Services in 2024/25 as part of the consultation process to enable the Corporate Director – Health and Adult Services to agree those fees.

#### 2.0 BACKGROUND

- 2.1 Contractually the Council has a commitment to review fee levels on an annual basis. The Council has always had an obligation to take account of the market pressures and to seek views from providers on fee levels, but from April 2015 new statutory responsibilities under the Care Act 2014 require the Council to shape and sustain its markets.
- 2.2 In setting fees the Council has a duty to pay due regard to the costs of providing care.
- 2.3 In April 2022, the Council implemented its Actual Cost of Care (ACOC) exercise for over 65 residential and nursing packages of care. It was agreed that all new packages would receive at least the relevant ACOC rate and that existing/legacy rates would be increased to ensure that they met that rate within three years.
- 2.4 Alongside – but separate to – this, the Council undertook a comprehensive procurement of its Approved Provider Lists (APL) which commenced in June 2022. This included the provision of Home-Based Support, and it was a requirement of all home care providers wanting to work with the Council in the delivery of home care in the future.
- 2.5 The new Approved Provider lists for residential and nursing care, home based support, community-based support and supported living took effect from 1 November 2022.
- 2.6 These rates now cover the period 2022-27, with last year's uplift acknowledging the high rates of inflation in the UK economy at that moment in time. However, with a number of packages now having converted to APL rates, the Council will not award further uplifts to these rates, as allowed for in the contract.

- 2.7 Negotiation on the offer for 2024-25 has taken place with providers through the Independent Care Group (ICG). The ICG has provided feedback to the Council on this offer. The offer (set out in section 3) continues the process agreed for the current financial year whereby we have moved away from universal inflation rates while implementing Cost of Care and APLs and focusing inflation to the lower end of the market.
- 2.8 The rates below, if agreed, are within the funding agreed in the Council's 2024/25 budget, although inflation is of course allocated on budget and not on any overspend.
- 2.9 North Yorkshire Council and its predecessor, North Yorkshire County Council, has invested heavily in local provision. This has included:
- A new Approved Provider List (APL) which allowed providers to submit sustainable rates for the period 2022-27.
  - Actual Cost of Care (ACOC) for over 65 residential and nursing packages of care – implemented in April 2022 with the agreement that all new packages would receive at least the relevant ACOC rate and existing/legacy rates would be increased to ensure that they met that rate within three years.
  - An exceptional inflation award for 2023/24 which acknowledged the very high rates of inflation in the UK economy.
  - Various one-off grants.
  - Reviewing our sustainability processes to enable the Council to offer a range of financial and non-financial interventions to mitigate risk to provider organisations.
  - Expanding the Quality Team to provide hands-on, practical support to care providers who are experiencing quality or other sustainability challenges
  - Wrap-around COVID-19 support, including passporting through national monies
  - Support with recruitment and training
- 2.10 The rates paid by the Council reflect this investment, as confirmed by government reports.
- 2.11 In November 2023, the Homecare Association published its report: The Homecare Deficit. In that it argued that many Local Authorities were not paying its recommended minimum hourly rate of £25.95 and that the average was in fact £21.59. North Yorkshire was one of few councils above this rate.
- 2.12 Whilst a survey conducted by the ICG found that two thirds of their members expressed concerns about their financial sustainability, the number of sustainability conversations taking place with the Council has reduced significantly over the last year. Where concerns about the overall viability of organisations have been raised, these tend to stem from a high proportion of packages being on historic rates.
- 2.13 The Council has a duty to promote the efficient and effective operation of the adult care market, while also ensuring value for money in all areas of social care expenditure.

We have reviewed our sustainability processes to enable the Council to offer a range of financial and non-financial interventions to mitigate risk to provider organisations.

### 3.0 PROPOSED FEE LEVELS

#### Residential and Nursing

##### Rates subject to Actual Cost of Care (ACOC)

- 3.1 As set out above, in April 2022, the Council implemented its Actual Cost of Care (ACOC) exercise for residential and nursing packages. All new packages would receive at least the relevant ACOC rate and existing/legacy rates would be increased to ensure that they met that rate within three years. Legacy rates refer to rates that were agreed on contracts that pre-date the current 2022-2027 APL.
- 3.2 The proposal for 2024/25 is that all legacy rates will be uplifted to the 2024/25 ACOC rate from 1 April – meaning that full conversion has now been completed. Taking account of expected rates of inflation over the next financial year, the new ACOC rates are as set out below, and takes account of the significant increase in packages which have moved onto the 2022-2027 APL:

	Legacy & ACOC contracts and increase on 2023/24
Residential	£875 (7.8%)
Residential/dementia	£917 (7.4%)
Nursing	£973 (8.6%)
Nursing/dementia	£980 (8.5%)
CAP 1: Legacy contracts between 24/25 ACOC and £1,200 - 3% increase	
CAP 2: Legacy contracts above £1,200 - 0%	

- 3.3 Contracts on the 2022-2027 APL that are at ACOC will be uplifted to the 24/25 ACOC rate.
- 3.4 Any increase will be capped at the provider's current APL rate.
- 3.5 For those contracts on the 2022-2027 APL with rates above ACOC, no inflation will be applied.

##### Care Homes under 65 and non-ACOC services over 65

- 3.6 ACOC rates only apply to contracts for people aged 65+. Therefore, for legacy contracts (those that pre-date the 2022-2027 APL) supporting adults under the age of 65 and Learning Disability residential services, the inflation rate will be 7.75% (residential) and 8.26% (nursing) for those below £1,500 per week and 3% for those above.
- 3.7 Any increase will be capped at the providers current APL rate.

- 3.8 Contracts supporting adults under the age of 65 and learning disability residential services which are on the 2022-2027 APL will not receive inflation.

Supported Living

- 3.9 For supported living legacy contracts that pre-date the 2022-2027 APL, the inflation rate will be 8% up to a cap which is the lesser of £28.53 or the provider’s current APL rate. Anything above this rate will not receive inflation.
- 3.10 Supported living contracts on the 2022-2027 APL will not receive inflation.

Home based support

- 3.11 For legacy home-based support contracts (not on 2022-27 APL), the inflation rate will be as follows:

<b>Home based support legacy contracts</b>		
Urban incl. all practical support, sitting services and live-in care	Rates up to £28.53 – 8%	Rates above £28.53 – 4%
Rural	Rates up to £30 – 8%	Rates above £30 – 4%
Super Rural	Rates up to £32 – 8%	Rates above £32 – 4%

- 3.12 Any increase will be capped at the providers current 2022-2027 APL rates.
- 3.13 Home-based support contracts on the 2022-27 APL will not receive inflation.

Community Based Support

- 3.14 For Community Based Support legacy contracts that pre-date the current 2022-2027 APL, the inflation rate will be 8%.
- 3.15 Any increase will be capped at the provider’s current 2022-2027 APL rates.
- 3.16 Community Based Support Contracts on the current 2022-27 APL will not receive inflation.

Direct Payments

- 3.17 The direct payment rate will be uplifted by 10% to account for national living wage, the new rates will be £12.10 for the basic rate and £14.30 for the enhanced rate.

General Principles

- 3.18 All future payments will continue to be made four weeks in advance with retrospective reconciliation to support cash flow within the market. However, the Council is

embarking on a consultation with non-residential providers to understand the benefits and risks associated with reverting to payments in arrears. This is in direct response to feedback from providers about challenges associated with the reconciliation process.

- 3.19 For packages of care for people in care homes outside of North Yorkshire Council we will honour an uplift agreed by the host authority where they have undertaken an Actual Cost of Care exercise and will consider individual business cases where there is no Actual Cost of Care exercise in place.
- 3.20 The rate for home based support providers allows for 15 minute payments. Whilst we do not usually commission care for 15 minutes only there are times when support plans require 45 minutes of care and very occasionally for 15 minutes.

#### **4.0 ANALYSIS OF THE PROPOSALS**

4.1 The proposals are based on the following principles:

- Full implementation of the Residential and Nursing Actual Cost of Care exercise from April 2024. This offer brings all remaining (non-specialist) packages of care for 65+ residential and nursing care up to the ACOC rate.
- Inflation is linked to the ACOC rates
- Home-based support uplift takes into account the Home Care Association recommended rate and rurality
- Any increase for legacy rates will be capped at the providers 2022-2027 APL rate
- Takes into account the feedback from ICG members that this year's cap was too simplistic for rural home care and for specialist care
- All future payments will continue to be made four weeks in advance with retrospective reconciliation to support cash flow (subject to the outcome of consultation with providers about reverting to payments in arrears for home based support)
- Fees will be rounded to the nearest number divisible by 7 for care homes and divisible by 4 for home care and services charged on an hourly basis.
- When the inflationary uplift brings a legacy rate in line with the current APL rate, the package of care will be transferred to the 2022-2027 APL contract.

4.2 There has continued to be much national focus in the last year about the fragility of the care market in England.

4.3 In addition to the fees paid by the Local Authority, Nursing care homes will receive Funded Nursing Care payments for eligible residents from health commissioners. This is set nationally by the NHS and from 1 April 2024 the standard rate will be £235.88 per week an increase of 7.4%.

## **Residential and Nursing care Homes**

4.4 In North Yorkshire since April 2023 one care home has closed. This compares with

2022/23: 4

2021/22: 6

2020/21: 8

2019/20: 2

2018/19: 2

2017/18: 6

4.5 As of December 2023, the care home market in North Yorkshire is slightly above the national average in terms of quality of care provided by registered care providers, with 84.1% rated Good or better in North Yorkshire against an England average of 81.6% between quarters. The Quality Team continues to provide proactive support to providers where quality concerns have been identified or where improvements would be beneficial.

## **Home-Based Support**

4.6 Fees to home care providers are based on hourly rates.

4.7 The ICG has advocated that the Council should use the HCA cost model for home care. The model sets out a national minimum fee level which they recommend. It is based on national averages for costs in defined operating areas. From April 2024 the recommended minimum rate for an hour of home care increases to £28.53 per hour. This figure has been taken into account in setting the inflation award for legacy contracts.

4.8 The proposal is for an 8% uplift to all legacy home care packages below £28.53 per hour and 4% for those between £28.53. These rates are higher for Rural (£30) and Super Rural (£32) packages.

4.9 91.1% (-0.2% year on year) of home care providers were rated “good” or better, which remains better than national (85.9%, -0.2% between quarters) and Yorkshire and Humber Region (84.3%, -0.2% between quarters) averages.

## **Community-based services**

4.10 For community-based care services we tend not to pay an hourly rate for a number of these services and so are unable to apply the same approach as home care. The proposed increase of 8% for legacy packages and no uplift for APL rates is therefore in line with the other proposals in this paper.

## 5.0 CONSULTATION AND ALTERNATIVE OPTIONS

- 5.1 Negotiations have been taking place with the ICG since November 2023. The biggest concern stated by the Group has been the Council's confirmation that it will not uplift APL Rates further at this stage, as per the contract.
- 5.2 As part of the work a number of alternative options were considered including paying a flat rate to all providers. However these would not take account of the aim to ensure that the Actual Cost of Care exercise was implemented in full. The proposed offer will prioritise those providers paid at the lowest rates, as well as honouring the terms of the APL.

## 6.0 IMPLICATIONS

### Financial

- 6.1 Resource and Finance Implications/Benefits: Budget plans have already included the cost of the increased fees proposed included in this report. In future years the Council will need to provide for the inflationary increases.
- 6.2 Human Resources: We require our contracted providers to meet minimum wage levels and have reflected wage costs in our fees

### Legal

- 6.3 Legal: When setting fee levels, local authorities are not obliged to follow any particular methodology; in particular, there is no obligation to carry out an arithmetical calculation identifying the figures attributed to the constituent elements, R (Members of the Committee of Care North East Northumberland) v. Northumberland CC [2013] EWCA Civ 1740.
- 6.4 The Care Act 2014 places duties on local authorities to facilitate and shape the care and support market. The Act also requires local authorities to provide choice that delivers intended outcomes and improves wellbeing. Unlike previous case law, the Care Act strengthens the general duties of councils when setting fees. Relevant features of the Act (s.5) include: (i) An obligation on councils to: ...promote the efficient and effective operation of a market in services for meeting care and support needs with a view to ensuring that any person in its area wishes to access services in the market. ...(and) has a variety of providers to choose from who (taken together) provide a variety of services. ...(and) has a variety of high-quality services to choose from ...(and) has sufficient information to make informed decision about how to meet the needs in question. In performing that duty, the local authority must have regard to the following matters (i) the need to ensure that it is aware of current and likely future demand for such services and to consider how providers might meet that demand (ii) the importance of ensuring the sustainability of the market (iii) the importance of fostering continuous improvement in the quality of such services and the efficiency and effectiveness with which such services are provided.

- 6.5 The Care and Support Statutory Guidance (CASSG) states that a local authority should have evidence that the fee levels they pay for care and support services enable the delivery of agreed care packages and support a sustainable market. When commissioning services, local authorities should assure themselves and have evidence that contract terms, conditions and fee levels for care and support services are appropriate to provide the delivery of the agreed care packages with agreed quality of care. This should support and promote the wellbeing of people who receive care and support and allow for the service provider to meet statutory obligations to pay at least the national minimum wage and provide effective training and development of staff. It should also allow retention of staff commensurate with delivering services to the agreed quality and encourage innovation and improvement. Local authorities should understand the business environment of providers offering services in their area and seek to work with providers facing challenges and understand their risks. Although the CASSG recognises that individual providers may exit the market from time to time, the local authority is required to “ensure that the overall provision of services remains healthy in terms of the sufficiency of adequate provision of high quality care and support needed to meet expected needs”.
- 6.6 The CASSG further states that in fulfilling this duty “Local authorities should commission services having regard to the cost effectiveness and value for money that the services offer for public funds”.

#### Equalities

- 6.7 Equality Act 2010: The council is required by law to pay due regard to the Equality Act 2010 and in particular the general and specific duties of the Public Sector Equality Duty. The evidence that the council has met its duties is contained in the previously published equality impact assessments (EIAs). Due regard has been paid to the actual cost of care in formulating the proposals, and it is anticipated that there will be a positive impact on both the provider market and people who receive services, by offering fee levels which support good care provision.

#### Climate Change

- 6.8 There are no specific climate change implications identified with these proposals.

## 7.0 REASONS FOR RECOMMENDATIONS

- 7.1 The detailed reasons for the recommendations are set out in detail in the report above. The proposal ensures that, where appropriate, rates paid to providers will take account of cost of living increases

## 8.0 RECOMMENDATIONS

- 8.1 The Executive Member is asked to consider the contents of this report, including the analysis of the proposals in section 3 and the implications in section 6 and to agree

(i) That fee increases to care homes for both **65+ residential and nursing** will be as below:

a) The four ACOC rates for 2024/25 will be:

	2024/25
Residential	875
Residential/Dementia	917
Nursing	973
Nursing/Dementia	980

- b) The Cost of Care rate will be implemented for all existing contracts in April 2024 where they are currently paid below that rate
- c) For those legacy packages above the ACOC rate, inflation will be paid at 3% up to £1,200 per week, with no inflation above that.
- d) As ACOC rates only apply to packages for over-65s, legacy packages supporting adults under the age of 65 and specialist residential packages for people over 65 will be paid an inflation rate of 7.75% (residential) and 8.26% (nursing) for those below £1,500 per week and 3% for those above.

(ii) For **supported living** legacy contracts that pre-date the 2022-2027 APL, the inflation rate will be 8% up to a cap which is the lesser of £28.53 or the providers current APL rate. Anything above this rate will not receive inflation. Supported living contracts on the 2022-2027 APL will not receive inflation.

(iii) For legacy **home-based support** contracts (not on 2022-27 APL), the inflation rate will be as follows:

<b>Home based support legacy contracts</b>		
<b>Urban</b> incl.all practical support, sitting services and live in care	Rates up to £28.53 – 8%	Rates above £28.53 – 4%
<b>Rural</b>	Rates up to £30 – 8%	Rates above £30 – 4%
<b>Super Rural</b>	Rates up to £32 – 8%	Rates above £32 – 4%

(iv) Home based support contracts on the 2022-27 APL will not receive inflation.

(v) For **Community Based Support** legacy contracts that pre-date the current 2022-2027 APL), the inflation rate will be 8%. Community Based Support Contracts on the current 2022-27 APL will not receive inflation.

(vi) All legacy package uplifts will be capped at that provider’s APL rate.

- (vii) For placements of people in care homes outside of North Yorkshire Council we will honour an uplift agreed by the host authority where they have undertaken an Actual Cost of Care exercise, and will consider individual business cases where there is no Actual Cost of Care exercise in place.

**RICHARD WEBB**  
**Corporate Director – Health and Adult Services**

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## NORTH YORKSHIRE COUNCIL

### HEALTH AND ADULT SERVICES EXECUTIVE

22 MARCH 2024

#### FEES AND CHARGES FOR IN-HOUSE & COMMUNITY CARE SERVICES 2023/24 REPORT OF THE CORPORATE DIRECTOR, HEALTH AND ADULT SERVICES

#### 1. PURPOSE OF THE REPORT

- 1.1 This report sets out the proposed changes in fees and charges that individuals pay towards the costs of NYC care services, plus meals, transport and laundry services for 2024/25.

#### 2. BACKGROUND

- 2.1 Each year the revised maximum charges to users of our in-house services are agreed based on the uprating of existing charges. What people actually pay of course depends on the result of individual financial assessments.

#### 3. CHANGES IN CHARGES FOR 2024/25

- 3.1 The uplift of charges is an exercise carried out annually and the new charges are implemented in April to coincide with the benefit uplift awarded by DWP (from Monday 8<sup>th</sup> April 2024 for 2024/25).
- 3.2 The Council's Fees and Charges Strategy was approved by Executive Members in November 2022, after income budgets were reviewed. Given the historically high levels of inflation that the UK is currently experiencing, a minimum inflationary increase of 6% was approved for 2024/25 budget setting and although the charges in this paper are dealt with separately, a similar uplift has been used in places. Other uplifts are linked to the increase in costs which will be paid to providers.
- 3.3 The proposed new rates for services which are not subject to the means tested financial assessment are outlined in Table 1.

**TABLE 1: CHARGES FOR SERVICES NOT SUBJECT TO A FINANCIAL ASSESSMENT**

Description of Service	Rates 2023/24	Proposed Rate 2024/25	% Increase
<b>Meals;</b>			
Main	£3.10	£3.30	6.5%
Sweet	£1.20	£1.30	8.3%
Full Meal	£4.30	£4.60	7.0%
Laundry	£5.75	£6.10	6.1%

- 3.4 Transport charges are currently £8.20 per journey (with a cap of £43 per week). It is proposed that these figures are increased to £8.70 per journey (6.1% increase) with a cap of £45.60 per week (6.0% increase).
- 3.5 Table 2 below details the proposed charges for those services being directly provided by NYC and which are subject to a financial assessment. Charges for residential support will be in line with the Council's approved Actual Cost of Care rates, although this will only apply to new packages. Existing packages will be increased in line with inflation.

**TABLE 2: FEE SCHEDULES FOR NYC-MANAGED SERVICES 2024/25**

		2023-24	2024-25	% change
<b><u>Elderly Persons Home</u></b>				
Existing Packages	Weekly rate	£637.00	<b>£690.00</b>	8.3%
New Packages (ACOC)	Weekly rate		<b>£875.00</b>	
<b><u>Learning Disability Services</u></b>				
Day Centre	Per place per day	£75.50	<b>£81.00</b>	7.3%
Respite	Per 24 hour period	£273.00	<b>£295.00</b>	8.1%
	Weekly rate	£1,911.00	<b>£2,065.00</b>	8.1%

<b><u>Personal Care at Home</u></b>				
Per contact visit		2023-24	2024-25	% change
Days	15 min	£10.10	<b>£10.70</b>	5.9%
	30 min	£14.80	<b>£15.70</b>	6.1%
	45 min	£19.50	<b>£20.70</b>	6.2%
	60 min	£24.50	<b>£26.00</b>	6.1%
Nights	15 min	£12.50	<b>£13.25</b>	6.0%
	30 min	£18.70	<b>£19.80</b>	5.9%
	45 min	£24.80	<b>£26.30</b>	6.0%
	60 min	£31.00	<b>£32.90</b>	6.1%

- 3.6 Table 3 below details the proposed charges related to the deferred payments process. The valuation fees are set by Align Property Partners and the increase reflects that there has been no change in these rates for a number of years.

**TABLE 3: FEE SCHEDULES FOR DEFERRED PAYMENT COSTS 2023/24**

fee	2023-24 rate	2024-25 rate	% increase
Legal costs	188.00	199.00	5.9%
Land registry search	51.00	54.00	5.9%
Valuations	350.00	400.00	14.3%
	500.00	600.00	20.0%
Admin fee (set up)	148.00	157.00	6.1%
Annual fee	424.00	450.00	6.1%

**4 ALTERNATIVE OPTIONS**

The option of not increasing charges has been discounted as this would be inconsistent with the cost increases paid to providers and would mean that the council incurred more of that cost. No increase would also be inconsistent with the Council’s Fees and Charges Strategy.

**5 CONSULTATION**

Consultation originally took place as part of the introduction of the Fairer Contribution policy via the Area Committees through a questionnaire to user representative groups as well as being considered by Care and Independence Overview and Scrutiny Committee. No further consultation has been undertaken for this annual uplift process.

**6 FINANCIAL IMPLICATIONS**

The budget for income from in-house service provision is approximately £4.7m in 2024/25 and the planning assumption currently incorporated into the Medium Term Financial Strategy assumes ‘inflation’ will be charged. The actual levels of income generated arise from a combination of the level of charges, the number of people who pay and, critically, the assessed levels of contribution from those people.

**7 LEGAL IMPLICATIONS**

Legal advice has been provided for these proposals

**8 EQUALITIES IMPLICATIONS**

An Equalities Impact Assessment was undertaken as part of the introduction of the Fairer Contribution policy and it is therefore not considered necessary to undertake another assessment for routine uplift. However we do continue to monitor the impact of the change of policy regularly and this is reported to the Care and Independence and Housing Overview and Scrutiny Committee on a periodic basis.

**9 CLIMATE CHANGE IMPLICATIONS**

There are no climate change implications arising from these proposals.

## **10 REASONS FOR RECOMMENDATIONS**

The recommendation will help the council to recover inflationary cost rises in adult social care where appropriate.

## **11 RECOMMENDATIONS**

The Corporate Director Health & Adult Services in consultation with the executive member for Health and Adult Services is asked to:-

- (a) Approve the new charging rates as outlined in section 3, particularly Tables 1, 2 and 3 and paragraph 3.4 of this report, to be effective from 8 April 2024

Report prepared by Anton Hodge, Assistant Director – Resources