Executive Summary

In July 2012 a Cabinet Member decision was taken on fees paid to independent providers of residential and nursing home services within West Sussex. It was also agreed to develop an appropriate methodology, with input from providers, to set the baseline against which future fees, and any increases, may be set. This report sets out the outcome of the cost modelling work, the approach and the factors considered to set fee levels and related charges for the current year. In addition this report considers the schedule of fees, outside the scope of the modelling, and Adults Services Charges.

Recommendations:

That for services for the year 2013/14 the proposals detailed at paragraph 2.11 of this report shall apply to fees and charges for care funded by WSCC Adults’ Services, backdated to 8th April 2013.

1. Background

1.1 A Cabinet Member decision was taken in July 2012 on fees for the year 2012/13, and it was agreed that WSCC would engage with the market with a view to developing an appropriate methodology to set the baseline against which future fees, and any increases, may be set.

1.2 It was decided that an integrated approach would be adopted for increases in residential, nursing and community based services and would form the initial year of a 3 year fee strategy. The rationale for such approach underpins a more proactive approach to managing and developing the market for care services in line with commissioning intentions. The only exception to this approach is for Shaw Homes, where rates of increase are subject to an indexation formula specified in the contract.

1.3 The Council makes placements at its “Usual Maximum Rates” (i.e. the level at which the Council will fund residential or nursing placements) for older people and for some working age placements into residential and nursing homes and it is these fees for Older People and Working Age Mental Health that were the subject of a cost benchmarking exercise.
1.4.1 The proposals for usual maximum rates are based on completed cost surveys submitted by providers of these services in West Sussex, analysed by PA Consulting (who were appointed in January 2013 following a formal quotation) through the use of their cost benchmarking model.

1.4.2 In addition it was considered how WSCC proposed rates compared to other authorities in the region and an analysis of supply and demand including unmet need (as it is understood to be at this time).

1.5 Individually agreed rates were outside the scope of the cost modelling, although key to the integrated fees strategy, as these are based on an individual's needs agreed at the time of making the placement. The lead commissioner, for each requisite care group, led on defining the approach and resulting proposal.

1.6 Community based services were also outside the scope of the cost modelling. As with agreed rates the lead commissioner for the care group has defined the approach, researched and reached a proposal.

2. **Consultation Outcome and Proposals**

2.1 The West Sussex Forum (WSF), the largest representative body for community care in West Sussex, was involved prior to the start of the cost modelling exercise and supported by encouraging providers to engage in the exercise and ensured forum representatives were present at all meetings.

2.2.1 An initial meeting was held on 20th December 2012 to advise that for the year 2013/14 usual maximum rates would be arrived at following a costing exercise. In order to optimise the results a participative approach was required.

2.2.2 Formal quotations were invited in order to commission an independent consultant to lead the costing exercise, with their role being to determine the approach to gather costing information in West Sussex, analyse the data by the use of an appropriate tool to take into account relevant costs, allow a return on capital and profit, and consider relevant impacts on costs. PA Consulting, following evaluation of their submission in January 2013, was commissioned. Their model is more than an activity based cost model, see illustrative dashboard at Appendix 1.

2.2.3 The details of the timeline of the cost benchmarking exercise are shown at Appendix 2.

2.3 The 278 residential and nursing homes, based in West Sussex, for Older People, Dementia, Mental Health and Nursing were invited to participate in the cost benchmarking exercise.

2.4 Completed, returned cost surveys represented 30% of beds in the market from 79 homes (out of 278) as follows: Residential: 900; Residential/Dementia: 644; Nursing: 1124 and Mental health: 139. WSCC commission 38% of beds from the market in West Sussex. Information was
also sought from regional and like authorities to provide comparative data to enable benchmarking of the rates and our approach to fee setting.

2.5.1 The information from the cost surveys was divided into Operational: staffing and hotel costs; Property: Rental value or value if sold; Assets; Costs >0.5% p.a. excluded elsewhere and also requested information on the “funding source” i.e. Local Authority, Health or Private.

2.5.2 Unlike activity based costing models such as Laing & Buisson, where costs are apportioned in a predetermined manner, the PA model benchmarks across all submissions and allows the commissioner to determine the profit level, target occupancy and the percentile at which the benchmark should be set to reach a true cost for the area.

2.5.3 Return on Capital (R.O.C.) investment has been a point of contention between some Local Authorities (LAs) and providers with regard the level to which this should be set. In discussion with WSF and other local authorities a range of 6 to 7.5 % R.O.C was suggested as reasonable. The WSCC model allows 7% on R.O.C. i.e. against the value on the property investment. There is a separate element for profit which has been linked to commissioning intentions i.e. where there is a need to stimulate growth in an area, such as dementia. This has been set between 10 and 12%.

2.6 The approach built the rates directly from the information submitted by providers, therefore this year the rate has been arrived at then expressed as a percentage increase on the previous year’s (rather than agreeing a percentage increase first).

2.7 The cost benchmark survey clearly evidenced a significant rise for rates to dementia services. To support the development of quality services in this area, as highlighted in the JSNA and national research, a specification for dementia services in care home is to be developed with representative providers.

2.8.1 In relation to individually agreed rates, commissioners for learning disability have discussed proposals with their top 5 providers and raised the proposal at a learning disability provider forum meeting with a response of general acceptance to the proposed offer.

2.8.2 Individually agreed rates for physical disability have been the subject of scrutiny in a report, authored by the commissioning lead. Benchmarking of some sample rates has been undertaken using the care funding calculator (commonly used in respect of learning disability placements) to reach the proposal.

2.9.1 Community based services were also considered as part of the fee strategy, again lead by the relevant commissioner.

2.9.2 The Supported Living Framework for learning disability customers was implemented in April 2012, with a countywide ceiling rate of £14.50. Considering all known factors including workforce, ease of commissioning and in recognition of the impact on providers, in some cases, reducing their rate to meet the £14.50 ceiling, an increase has been proposed.
2.9.3 Supported Living for Mental Health Customers is currently out to tender, therefore there are no proposals to alter current rates.

2.9.4 Domiciliary care is the subject of a review with an entry in the County Council’s Forward Plan for September 2013 to seek a decision to approach the market. At this time on this basis there are no planned changes to rates.

2.10 In relation to specialist residential/day centres managed directly by the County Council, namely New Tyne and Marjorie Cobby House Resource Centres, it was agreed that any increases in charges would be in line with the County Council’s inflation strategy for 2013/2014. WSCC also operates 5 learning disability homes where the proposals will also be in line with the County Council’s inflation strategy.

2.11 It is therefore proposed that for services for the year 2013/14 the following shall apply to fees and charges for care funded by Adults’ Services, backdated to 8th April 2013:
1. Discontinue the use of Band A residential placements for new placements, with no change to rate for existing customers.
2. An increase of 1% to the fee for Band B residential placements and review the number of placements in 2014. Currently there are just over 100 placements, but this is forecast to reduce based on downward demand due to changes in the eligibility threshold and alternative provision being available e.g. extra care which results in fewer referrals (to residential care) of people with less complex needs.
3. For Band C (Dementia) placements pay a rate of £468, which equates to an increase of 8.4%.
4. For Band P (Older People with intensive/complex personal care needs) placements pay a rate of £447, this equates to an increase of 3.5%.
5. For Band D (social care element for nursing) placements pay a rate of £463.21 which equates to an increase of 1.159%. The impact of the settlement, especially for Band D (nursing), is to be kept under close scrutiny.
6. For Band F (working age mental health) pay a rate of £345, this equates to an increase of 7.4%.
7. Change Band F to an “all age band”.
8. An increase of 1% to Learning Disability individually agreed rates for residential care.
9. An increase of 1% to Substance Misuse individually agreed rates for residential care.
10. No change to rates paid for Physical Disability, with a review of individually agreed rates to be undertaken in 2013/14.
11. No change to rates for domiciliary care provision.
12. No change to Mental Health Supported Living Providers.
13. An increase of 1% to Learning Disability Supported Living providers.
14. A 1% increase to the charges for placements in WSCC provided services.

3. **Equality - Customer Focus Appraisal**

3.1 A Customer Focus has been undertaken and is attached as Appendix 5.

4. **Resource Implications and Value for Money**
4.1.1 In gross terms, the County Council spends around £145m per year on care costs across all care groups and in both residential and domiciliary settings. Corporate budget strategy for 2013/14 provided a 2% uplift on all non-pay expenditure lines and so an amount of £2.9m is available in the Adult Social Care and Health portfolio to meet the cost of the proposals in this paper.

4.1.2 Quantifying the impact of the recommendations is not a precise science, mainly as the group of people receiving social care is subject to a significant level of turnover each year. Of itself this can lead to changes in the relative mix of spending as well as differences in the means-assessed contributions that customers make towards the cost of their care. Nevertheless, if the proposed rates are applied to current client numbers, backdated to 8th April, they will be affordable within the overall funding envelope for the portfolio. However, this accounts for most of the £2.9m headroom and consequently if numbers rise unexpectedly during the remainder of the year, the task of managing the budget will become more challenging.

4.1.2 It also follows that the increases beyond 2% for some parts of the residential market will be achieved, in effect, as a result of evidence based nil increases to others, notably within older peoples domiciliary care on the grounds that we have undertaken to review that market in 2013/14 with a view to commission in 2014/15 (a decision to be taken in September 2013). Having recalibrated the usual maximum rates paid to residential and nursing providers (in West Sussex) it is important to consider how these are reviewed annually i.e. consideration to an annual inflationary uplift. If that is the outcome, there will be less room for manoeuvre in the 2014/15 portfolio budget when the domiciliary care proposals are brought forward. A strategy for meeting any additional costs that might arise because of this will need to be devised.

4.1.3 For Mental Health clients, the increases proposed for Band F will fall to the Mental Health pooled budget. As such roughly 87% of the cost of that change will be funded by the three clinical commissioning groups in West Sussex. By dint of the section 75 agreement between those bodies and the County Council, we have the authority to agree this increase on their behalf. The Mental Health pooled budget manager has also confirmed that the additional costs will be affordable within the limits of the current budget provision.

4.2.1 Appendix 4 shows the increase to the usual maximum rates to be paid to independent providers of care, following the cost benchmarking exercise.

4.2.2 Pending the recommendations in this paper, a decision has been deferred about the rate of increase that should be applied to the County Council’s charges for placements in the five residential care homes that it operates for adults with a learning disability and the two resource centres for older people. To ensure parity with the proposed rise in rates for external providers of residential care for adults with learning disabilities, it is recommended that an increase of 1% should be applied to current charges. The new rates are shown in Appendix 5 and apply to self-funders and placements made by other local authorities.
4.3 There is a resource implication to upload the new rates into Frameworki in order to generate, and backdate, correct payments to providers. This work has been built into the Frameworki work programme and agreed by Frameworki Board.

4.4 As the proposed increases to banded rates were produced from providers costs, excluding profit, and set in a model with assumptions including target occupancy (90%) and where WSCC were able to set profit (linked to commissioning intentions), the consequent rates relate to an efficient model of care delivery and in our view, represent good value.

5. **Risk Management Implications**

5.1 A comprehensive assessment of the potential risks was logged within Corporate Perform at the outset of the project.

5.2.1 This work reduces the risk of legal challenge as WSCC has adopted a robust consultative approach with providers and followed a clear, robust process where the eventual fee rates can be shown to be based on a proper and evidenced based assessment of the actual cost of care.

5.2.2 The approach was inclusive of all providers registered to provide care within the care groups with all being given the opportunity to attend an initial meeting in December 2012 which gave a high level brief on the approach for 2013/14, followed by detailed meetings in February/March demonstrating the approach and the cost model to be adopted.

5.2.3 To encourage optimum responses WSCC agreed that only PA Consulting would be privy to who returned the cost survey, with the resulting information being given to WSCC in an anonymised format.

5.2.4 We can demonstrate that the information used to reach the conclusions within the cost model are based on robust data representing 30% of beds in the market, WSCC commission 38% in total.

5.2.5 The impact of the settlement, especially for Band B and Band D (nursing) are to be kept under close scrutiny. The outturn from this year is the first year of a 3 year fee strategy.

5.3 A financial risk that the costs will exceed the allocated budget through activity shifts, is referenced in (4) above.

5.4 As fees paid in respect of care provision is a national, high profile issues, a robust approach to cost modelling was required to mitigate any reputational risk.

5.4.1 As the resulting rates are based on cost information submitted from providers in West Sussex the model takes into account local impacts on costs and is more than an activity based model, therefore fairly robust.

5.5.1 Frameworki requires updating with all the new rates and subsequent testing to ensure payments to providers are correct. Based on a June decision this should be implemented in Frameworki by the end of September. The
Portfolio Manager for Frameworki and the Systems Support Manager have prioritised this work over project work in Frameworki and confirmed a delivery date of September, after which providers will be paid updated rates backdated to April.

6. **Crime and Disorder Act Implications**

No implications.

7. **Human Rights Act Implications**

7.1 In reaching a decision on the level of fees, the Authority has considered its duties under the Human Rights Act, and in particular Article 8, and the need to consider the private and home life interests of all those assessed to be in need of residential and other basic care. The Authority has endeavoured to find out the cost of care in order to ensure that any increase enables these needs to be met.

Mike Sadler
Director of Health and Social Care Commissioning

Claire Foreman
Head of Integrated Commissioning

**Contact:** Debbie Young 0330 22 24134

Appendix 1: Dashboard used in the PA Model
Appendix 2: Process Timeline for Cost Benchmarking Exercise
Appendix 3: Fee Schedule Proposed Fee Rates for 2013-14
Appendix 4: Schedule of Charges for Adults’ Services Resource
Appendix 5: Customer Focus Appraisal

**Background Papers**

None.
Appendix 1

Example illustration of dashboard used in the PA model to benchmark cost data
## Appendix 2

### Process Timeline for Cost Benchmarking Exercise

<table>
<thead>
<tr>
<th>Date</th>
<th>Task</th>
</tr>
</thead>
<tbody>
<tr>
<td>11&lt;sup&gt;th&lt;/sup&gt; December 2012</td>
<td>Request for Quotations issued for Fees Methodology consultancy work</td>
</tr>
<tr>
<td>20&lt;sup&gt;th&lt;/sup&gt; December 2012</td>
<td>High-level briefing to providers (proposed approach/outline timeframe)</td>
</tr>
<tr>
<td>7&lt;sup&gt;th&lt;/sup&gt; January 2013</td>
<td>Deadline for Quotations to be submitted</td>
</tr>
<tr>
<td>25&lt;sup&gt;th&lt;/sup&gt; January 2013</td>
<td>Preferred consultancy identified and notified</td>
</tr>
<tr>
<td>4&lt;sup&gt;th&lt;/sup&gt; February 2013</td>
<td>Initial meeting with Preferred Consultancy; PA Consulting instructed to carry out work</td>
</tr>
<tr>
<td>27&lt;sup&gt;th&lt;/sup&gt;, 28&lt;sup&gt;th&lt;/sup&gt; February and 1&lt;sup&gt;st&lt;/sup&gt; March 2013</td>
<td>Provider Briefings (introduction to PA Consulting, overview of WSCC Care Home Cost Benchmarking Survey and timelines)</td>
</tr>
<tr>
<td>4&lt;sup&gt;th&lt;/sup&gt; March 2013</td>
<td>Opening of WSCC Care Home Cost Benchmarking Survey</td>
</tr>
<tr>
<td>20&lt;sup&gt;th&lt;/sup&gt; March 2013</td>
<td>Closure of WSCC Care Home Cost Benchmarking Survey</td>
</tr>
<tr>
<td>21&lt;sup&gt;st&lt;/sup&gt; March – 3&lt;sup&gt;rd&lt;/sup&gt; April 2013</td>
<td>Analysis of results</td>
</tr>
<tr>
<td>4&lt;sup&gt;th&lt;/sup&gt; April 2013</td>
<td>Presentation of high-level results of survey by PA Consulting</td>
</tr>
<tr>
<td>17&lt;sup&gt;th&lt;/sup&gt; April 2013</td>
<td>PA Consulting led meeting – Analysis of key findings and identification of fee proposals for 2013/14 (year 1 of a three year strategy) using The Model</td>
</tr>
<tr>
<td>July 2013</td>
<td>Handover of model from PA Consulting to WSCC, and sharing of decision with providers</td>
</tr>
</tbody>
</table>
Appendix 3

Fee Schedule
Proposed Fee Rates for 2013-14

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Current rate</th>
<th>Proposed 2013-14 Rate</th>
<th>Proposed Percentage increase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Residential and Nursing Care</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Band A – Older Person: High level of Personal Care (to be discontinued during 2013)</td>
<td>£276.04</td>
<td>£276.04</td>
<td>0%</td>
</tr>
<tr>
<td>Band B – Older Person with Special Needs (intensity/complexity) (use of this band to be reviewed in 2014)</td>
<td>£355.35</td>
<td>£358.90</td>
<td>1%</td>
</tr>
<tr>
<td>Band C – Specialist Dementia Care</td>
<td>£431.83</td>
<td>£468.00</td>
<td>8.4%</td>
</tr>
<tr>
<td>Band P – Older Person: as Band A/B with Intensive/Complex Personal Care Needs</td>
<td>£431.83</td>
<td>£447.00</td>
<td>3.5%</td>
</tr>
<tr>
<td>Band D – Nursing Care</td>
<td>£457.84</td>
<td>£463.21</td>
<td>1.159%</td>
</tr>
<tr>
<td>Band F – Under 65 years Person with Mental Health Needs</td>
<td>£321.14</td>
<td>£345.00</td>
<td>7.4%</td>
</tr>
</tbody>
</table>

**Individually Agreed Rates for Residential Care**

| Under 65 years Person with Substance Misuse Needs | 1% |
| Under 65 years Person with Learning Disabilities | 1% |

**Community Based Services**

| Learning Disabilities Non-Residential Services | 1% |

1. £109.79 – NHS contribution to nursing care paid in addition to social care rate
2. £20.00 geographical enhancement paid for Crawley, Horsham, Mid Sussex and rural areas of Chichester and Adur, in addition to rates above.

For dementia and older people rates WSCC are now above average compared to neighbouring OLAs, however for nursing WSCC have the lowest rate. N.B. the rate was determined from costs gathered in West Sussex.

Commissioners will keep the impact of the nursing rate under close scrutiny with the support of information from Adults Services.
### SCHEDULE OF CHARGES FOR ADULTS’ SERVICES RESOURCE CENTRES  
(Marjorie Cobby House & New Tyne Resource Centre)

<table>
<thead>
<tr>
<th>All rates per amounts</th>
<th>2012-13 WSCC Weekly Rate £</th>
<th>2013-14 WSCC Weekly Rate £</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults’ Services Resource Centres (Self-funded/externally-funded places)</td>
<td>635.51</td>
<td>641.87</td>
<td>1%</td>
</tr>
</tbody>
</table>

### SCHEDULE OF CHARGES FOR RESIDENTIAL CARE HOMES FOR PEOPLE WITH A LEARNING DISABILITY

<table>
<thead>
<tr>
<th>All rates per amounts per week</th>
<th>2012-13 from 09/04/12 WSCC Weekly Rate £</th>
<th>2013-14 from 08/04/13 WSCC Weekly Rate £</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Support</td>
<td>813.20</td>
<td>821.33</td>
<td>1%</td>
</tr>
<tr>
<td>Higher Support</td>
<td>1,137.40</td>
<td>1,148.77</td>
<td>1%</td>
</tr>
<tr>
<td>Intensive Support</td>
<td>1,673.20</td>
<td>1,689.93</td>
<td>1%</td>
</tr>
</tbody>
</table>
### Customer Focus Appraisal 2012

**Title of proposal**  
Care Homes Usual Maximum Rates and Supporting Method

**Date for implementation**  
June 2013 (fees backdated to April 2013)

**CFA completed by**  
Name: Debbie Young  
Tel:  
Email: debbie.young@westsussex.gov.uk

### 1. What information have you used to understand and analyse the impact of the proposal on customers?

By undertaking the WSCC Care Home Cost Benchmarking Survey (for placements made under the Care Home Services Contract 2007) with providers, this enabled a unique insight into the actual cost of providing care in West Sussex, and therefore the impact on customers if a fair fee is not agreed. Other areas analysed include:

- The number of customers receiving a service
- The proportion of the market funded by WSCC
- Financial analysis to ascertain the number of customers WSCC is paying for: above the authority’s standard rates; at usual maximum rates; and at usual maximum rates with a third party top-up for.

Although there are top ups paid by individual customers and families, a significant number (including those higher in value) relate to WSCC picking up responsibility for private run outs as well as relatives paying third party top ups in respect of those customers who are on deferred payment agreements. This supports customers’ greater opportunity for choice because it enables them to secure or retain placements in homes that do not accept WSCC’s usual maximum rate.

The customers are those who meet our eligibility threshold of substantial or critical and either are on a deferred payment (as their funds are tied up in assets) or are eligible for financial support and are in receipt of adult social care, in West Sussex, on a short, long-term or respite basis in a care home or care home with nursing.

It is acknowledged that any fee increase will have an effect on the sum recharged to full cost payers and on any customer choosing a care home or care home with nursing as an option for respite, as respite costs are included in the personal budget which is derived from the Resource Allocation System (RAS). The RAS is not being increased per se, but where this is likely to have an impact a variation will be required on a per customer basis to reduce the risk of inequality. Full cost payers are being contacted, by letter, to advise of potential fee increases, however if they had cashable assets they may be paying increased fees directly to providers rather than via WSCC.

### 2. Are there any customers who are negatively affected by the proposal? If so, explain which customers and how they are negatively affected.
The WSCC Care Home Cost Benchmarking Survey focussed on ascertaining the actual cost of providing care, to inform recommendations for fees for providers. Therefore, any increase in fees may negatively affect those customers and their families who pay the full costs of their care, as the cost of the customers’ care will rise.

It is expected that the proposed fee schedule will support providers to both maintain the delivery of care to a satisfactory level, and encourage the growth of quality services. For example, the proposed increase for Specialist Dementia Care will enable commissioners to develop a dementia specification (based on the National Institute for Health and Care Excellence (NICE) guidelines) in consultation with providers, focussing on improving quality standards. It is also anticipated that by paying a fee level based on evidenced costs of providing care, more residential and nursing homes within West Sussex will accept the WSCC usual maximum rate (with a lower requirement for third party top ups) thus providing increased choice for customers and families.

3. Are there any customers who are positively affected by this proposal? If so, explain which customers and how they are positively affected.

By using the data received from providers in the WSCC Care Home Cost Benchmarking Survey to develop The Model, the proposed fees are based on the actual cost of providing care, thus providing a fair and consistent approach to all providers, enabling them to continue providing quality services and/or make improvements where required in a sustainable manner. This is expected to positively affect customers in terms of the quality of services they receive, the choice of services they can access at usual maximum rates and will achieve consistent access to services by sustaining the market.

It is anticipated that all customers will be affected positively by these proposals, as the majority of band rates will receive an increase, and where an increase has not been applied, fees will remain the same. Where no fee increases are proposed, there should be a neutral or positive outcome for customers whose care needs will continue to be met by current providers and care arrangements. In addition, as the proposed increase for dementia is significant, this will actively support people, families and carers of those with dementia to secure services at WSCC usual maximum rates, with the added reassurance that we are working actively to develop a dementia specification in line with the National Institute for Health and Care Excellence (NICE) to promote quality services, as referred to in 2.

4. How does your proposal help to eliminate discrimination, harassment and victimisation?

The fee proposals have no direct effect on these issues but are relevant to the maintenance of contractual arrangements that do so. Equalities issues are addressed within contract terms, by a requirement to comply with all statutory and other relevant provisions, together with express reference. Equally as the services being referred to are regulated by the Care Quality Commission, there is a requirement for such services to promote and ensure implementation of equality. It is the providers’ responsibility to ensure that these issues are managed and monitored appropriately within their service, however the fees paid by the authority support providers to deliver the required care, which includes managing their equalities duties effectively. By paying fees linked to the actual cost of providing care, this will ensure that providers are funded to a level that promotes the opportunity to invest in developing and embedding the policy and practice of equality in the culture of their service. This includes acknowledging the individual needs, circumstances, cultures and lifestyles of all customers.
5. How does your proposal help to advance equality of opportunity between people who share a protected characteristic and those who do not?

These proposals are intended to support providers to continue to deliver (and improve, where required) quality services to meet customers’ individual needs, circumstances, cultures and lifestyles, hence ensuring that where customers personal circumstances and support needs change, that there is sufficient provision in the independent sector available to support them.

6. How does your proposal help to foster good relations between persons who share a protected characteristic and those who do not?

The impact is, at most, marginal. As above, it is expected that by paying providers fees linked to the actual cost of providing care in West Sussex, that they will continue to deliver (and improve, where required) quality services to meet customers’ individual needs, circumstances, cultures and lifestyles. This should improve customer outcomes, and provides support for measures to address discrepancies in opportunities amongst the adult population and have a small impact on relations referred to here.

This raises the profile of care fees for older people and takes account of what we pay for care for older people linked to the cost of provision similar to other care groups.

7. What have you learnt from the analysis of the likely effects of the proposal on customers? What changes were made to the proposal as a result?

The results of the WSCC Care Home Cost Benchmarking Survey showed that based on the costs gathered from providers, fees need to be raised for Specialist Dementia Care in order to encourage more high quality care. A focus on complex needs is also required, and this is reflected in the proposals. Due regard will be paid to the Equalities Duty and protected characteristics to ensure that all customers are treated fairly and no discrimination occurs.

The Cabinet Member Decision will be communicated sensitively by letter to customers who are full cost payers or have a Deferred Payment, as any fee increase will affect the fees they pay. For customers who receive social care funding from the Council, where they pay a contribution towards the cost of their care the new rates will be used to determine how much the Council and the customer need to contribute. Once the Cabinet Member Decision has been taken an amendment to WSCC publications detailing rates will be made and providers will be formally advised of the change and invited to a meeting on 1st July.

8. If you did not make any changes to the proposal following the analysis please explain why not.

N/A

9. How will the proposal’s implementation be monitored and evaluated to make sure it continues to meet the equality duty owed to customers?
A risk-based approach to monitoring care homes and the performance of the providers is currently taking place on a pilot basis, and is being monitored through a pilot team of one Quality and Performance Assistant and two Quality and Performance Officers who are part of a multi-disciplinary team with access to additional resources in health to provide support to providers. Feedback from customers, individual providers, the West Sussex Forum and the Learning Difficulty Provider Forum will be monitored by the relevant Commissioning Manager. In addition we will continue to review the impact of the new fee structure by reviewing the ease at which placements can be made at usual maximum rates.

**10. Who will be responsible for the monitoring and review?**

This is Year 1 of a three year fee strategy, so the effectiveness of it will need to be monitored and reviewed throughout this process.

The Director of Adults’ Services to ensure that feedback from operational teams is communicated to the Health and Social Care Commissioning Directorate, and the Head of Integrated Commissioning, Health and Social Care to ensure that this feedback is used to shape the fee strategy and future commissioning.

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**To be signed by an Executive Director, Director or Head of Service to confirm that they have read and approved the content of the CFA and the Action Plan.**

<table>
<thead>
<tr>
<th>Name</th>
<th>Mike Sadler</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your position</td>
<td>Director of Health and Social Care Commissioning</td>
<td></td>
</tr>
<tr>
<td>Telephone</td>
<td>033022 22683</td>
<td>Email</td>
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<td><a href="mailto:mike.sadler@westsussex.gov.uk">mike.sadler@westsussex.gov.uk</a></td>
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<td>In Business Plan (Y/N)</td>
<td>Details of the action</td>
<td>Who will the action be reported to and how?</td>
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<td>1 N</td>
<td>Provider meetings to monitor the effect of proposals and inform the three year fee strategy – ongoing discussions to be diaried for 2013/14. Dates to be agreed at the meeting in July.</td>
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<td>Y</td>
<td>Development of Dementia Specification to determine expectations regarding increased fee</td>
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Please add more lines to the Action Plan if necessary