

**DECISION TAKEN BY OFFICER UNDER SECTION 13 OF THE LOCAL  
AUTHORITIES EXECUTIVE ARRANGEMENT REGULATIONS 2012**

**Officer:** Phil Hornsby

**Service Unit:** Head of Service  
Commissioning and Improvement – People Services

**Date of Decision:** 28th March 2015

**Title:** Adult Social Care: Domiciliary Care Fee Increases 2015/16

**Decision(s) Taken:**

To award a fee increase of 5% to the contract price for the Care at Home Framework for older people, and to all other providers of domiciliary care on a spot purchase contract arrangement at the framework price.

Learning Disability Care and Support Framework providers that were subject to the procurement exercise undertaken in 2014/15 will not receive an increase. Contracts above the framework price will be subject to individual fee negotiation.

**Threshold Trigger:** (ii)

- (i) **Decision taken in consultation with the Portfolio Holder**
- (ii) **Decisions having a substantive effect on the provision of local services, e.g., fees/charges**
- (iii) **Decisions taken after public consultation**
- (iv) **Decisions taken after Cabinet consideration or specifically delegated to an Officer**

**Reason for the Decision:**

Over the last 12 months the domiciliary care market in Poole has seen a gradual decline in capacity and availability. The main challenges for Providers are the recruitment and retention of staff due to low unemployment rates, negative media around the care market, zero hours contracts, lack of travel time. Pay rates for care staff are commonly at, or just, above National Minimum Wage (NMW) which is also a barrier as many retail operators, such as Aldi, Marks and Spencer, Sainsbury's, etc. often pay higher rates and offer a better work environment.

The United Kingdom Home Care Association (UKHCA) who represent many domiciliary care providers nationally, have long championed for fee levels that they argue reflect the real costs of delivering care in the community. The latest version of their cost model to establish a minimum hourly rate for home care suggests that £15.74 per hour is a realistic minimum rate; the model assumes a reasonable net profit for the provider.

BoP has kept its domiciliary care fee levels below UKHCA recommended levels for a number of years and the current hourly rate of £13.60 is below that of our immediate neighbours who both pay £14.00 per hour. Inflationary increases at, or below, inflation have kept the council's expenditure on care down but this is no longer sustainable and could lead to challenge from providers on the basis of the calculation used to reach this figure.

In common with most local authorities, BoP has differential rates for part hours of care, normally in 15 min blocks (i.e 15 min, 30 min, 45 min). Many packages of care use 30 min and 45 min care visits to deliver the necessary personal care to meet individual care needs, with 15 min visits only being used for medication prompts or welfare checks. The differential rates are there to reflect additional travel costs. When these rates are combined the aggregate hourly rate becomes £16.32.

The Care at Home Framework Contract which was let in 2011 currently has an hourly rate of £13.60 per hour. The Contract also established the rates for part hours.

Call Time	Up to April 2014	April 2015 With 5% uplift
60 mins	13.60	14.28
45 mins	10.20	10.71
30 mins	8.36	8.78
15 mins	4.18	4.39

Framework providers have faced capacity difficulties and therefore the Borough has had to use a number of spot purchase domiciliary care providers outside the Framework, but in the main these have been on the basis of the Framework price.

The Borough's Framework price for domiciliary care **is significantly lower than** the price paid by neighbouring authorities

Officers have examined the cost pressures advised by providers and also agreed a range of measures to support local providers in developing the market.

Officers have also agreed to work with colleagues from the neighbouring local authorities in Bournemouth and Dorset, together with Partners in Care and the Care Providers' Association, to develop an agreed commissioning approach and pricing model for domiciliary care which will be used to assist with determining future fee levels.

**Declaration of Interest(s), to include: None**

(Record of any conflict of interest declared by Executive Member or any Officer consulted by the Decision Maker relating to the Decision).

**Report/Information Considered:**

UKHCA Pricing Tool Kit which can be found at [www.ukhca.co.uk/](http://www.ukhca.co.uk/)

**Alternatives Considered:**

A 0% increase for domiciliary care was initially considered but rejected because of the need to reflect the additional cost pressures being experienced by providers and to support the independent sector market in the recruitment and retention of staff.

**Budget Implications:** Allowance for this recommended increase for domiciliary care has been recognised within the MTFP for 2015/16 and has been based upon projected activities for 2015/16.



**Signed:** .....

**Dated:** ..... 13 April 2015.....