

From: Clair Bell, Cabinet Member for Adult Social Care and Public Health
Richard Smith, Corporate Director Adult Social Care and Health

To: Adult Social Care Cabinet Committee – 15 March 2023

Subject: **DECISIONS TAKEN OUTSIDE OF THE CABINET COMMITTEE MEETING CYCLE**

Classification: Unrestricted

FOR INFORMATION ONLY

Summary: The following decision has been taken between meetings as it could not reasonably be deferred to the next programmed meeting of the Adult Social Care Cabinet Committee for the reason set out below.

Recommendation: The Cabinet Committee is asked to note that the following decision has been taken in accordance with the process in Part 2 paragraph 12.36 of the Constitution:

23/00029 Fee Uplifts for Adult Social Care Providers for 2023/2024

1. Introduction

- 1.1 In accordance with the council's governance arrangements, all significant or Key Decisions must be listed in the Forward Plan of Key Decisions and should be submitted to the relevant Cabinet Committee for endorsement or recommendation prior to the decision being taken by the Cabinet Member or Cabinet.
- 1.2 For the reason set out below it has not been possible for this decision to be discussed by the Cabinet Committee prior to being taken by the Cabinet Member. Therefore, in accordance with process set out in Part 2 paragraph 12.36 of the Constitution, the following decision has been taken and published to all Members of this Cabinet Committee and the Scrutiny Committee.

2. Decision 23/00029 Fee Uplifts for Adult Social Care Providers for 2023/2024

- 2.1 In previous years, practice has been to increase provider fees across services at a standard, blanket, percentage rate, in accordance with stipulations in the contracts, either relating to average changes in the CPI (Consumer Price Index) or other review clauses. Constraints in available funding coupled with both the cost-of-living crisis and recent increasing inflationary pressures have had a material impact on the profitability and, in some cases, the viability of care providers in the light of current fees paid by local authorities.

- 2.2 The proposed allocations are those which are affordable in the Council's recently agreed budget.
- 2.3 Due to various market pressures facing the sector it is proposed that the percentage fee increase paid to framework providers, varies according to the service provision, in line with the budget availability and the Adult Social Care Making a Difference Every Day approach. Leads from Commissioning and Finance have scoped the impact of each service, applying the percentage award to fees based on market sustainability factors.
- 2.4 The Homecare sector has the greatest current issues with supply and cost control owing to market pressures specific to it. This has led to an increasing reliance on non-contractual spend, with 45% of homecare packages purchased off contract in January 2023 compared to 18% at the beginning of the 2021/22 financial year.
- 2.5 Conversely, failing to increase fees for framework providers sufficiently leads to a reduction in framework capacity and supply, an increasing reliance on non-framework provision, and significantly increased costs. To a lesser extent, there have been similar impacts on the Older Person's residential and nursing care market. It is therefore proposed to apply differing standard percentage rates to different services to ensure markets are managed appropriately.
- 2.6 The fee uplifts need to be finalised by 3 March 2023 to enable them to be applied to the Council's Adult Social Care system in time for providers to be able to submit invoices for the revised rates from April 2023.
- 2.7 The decision could not reasonably be deferred to the Adult Social Care Cabinet Committee which is on 15 March 2023.

3. Recommendation

3.1 Recommendation: The Adult Social Care Cabinet Committee is asked to **NOTE** that the following decision has been taken in accordance with process set out in Part 2 paragraph 12.36 of the Constitution:

23/00029 Fee Uplifts for Adult Social Care Providers for 2023/2024

4. Background documents

[23/00029 - Fee Uplifts for Adult Social Care Providers for 2023/2024](https://democracy.kent.gov.uk/ieDecisionDetails.aspx?ID=2687)
<https://democracy.kent.gov.uk/ieDecisionDetails.aspx?ID=2687>

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