

KENT COUNTY COUNCIL – RECORD OF DECISION

DECISION TO BE TAKEN BY:

Graham Gibbens

Cabinet Member for Adult Social Care and Public Health

DECISION NO:

14/00064

Key decision

Yes – Number of people affected and size of budget affected both exceed the Key Decision limit

Subject: OLDER PERSONS RESIDENTIAL TENDER STAGE ONE ANALYSIS AND GUIDE PRICE RECOMMENDATION**Decision:**

As Cabinet Member for Adult Social Care and Public Health, I:

- 1) Agree the recommendations contained in the recommendation report and [exempt] appendix and confirm the new guide prices for these categories of care. The new guide prices are as follows:
 - Area 1 and 2 Residential (medium needs) £352.18
 - Area 1 EMI Residential (high needs) £408.48
 - Area 2 EMI Residential (high needs) £440.30
- 2) Delegate to the Corporate Director of Social Care, Health and Wellbeing, or other suitable nominated officer, responsibility to take all steps that are necessary to implement the decision.

Reason(s) for decision:

Having reviewed the report and the data and analysis provided, I support the recommendations to apply a varied increase to the current guide prices for these different categories of care.

In accordance with our requirements under the Local Authority Circular (2004)20, this process has allowed us to robustly consider the actual costs of care and enabled us to apply an increase, where appropriate to our current guide prices.

Application of these guide prices will form part of stage 2 of the tender process and facilitate a new contract to commence from 6th October 2014.

Cabinet Committee recommendations and other consultation:

At the meeting on 11th July 2014 of the Adult Social Care & Public Health Cabinet Committee, it was explained that a revised covering report and exempt appendix 1 had been issued to Committee Members today. The reason for doing so is that, as explained in the original report, external validation of the work which had been done 'in-house' to calculate the 'actual cost' had been requested. When the papers needed to be published on the evening of 3rd July, the validation had not quite been complete. In the week preceding the Committee meeting, officers had been able to review the findings and refine the model, the assumptions and the data input into what is a complex model. The result of that work was that the 'actual cost' and the recommended 'guide price' had changed slightly. Therefore, the Committee was provided with a revised appendix 1 which reflected the updated figures.

Due to the nature of the exempt appendix to the report, the Chairman asked Members of the

Committee if, in debate, they wished to refer to any of the information included in the exempt appendix to the report. Members confirmed that they did not wish to do so and the item was therefore considered without going into closed session.

The report was then introduced and the procurement process summarised which had been followed. The purpose of reviewing the guide price is to provide greater clarity on the costs the Council could expect to pay and make it clear to service users any additional 'top up' they would be required to contribute should they choose a different home. There will be a change in how residential and nursing care is purchased in future to achieve transparency and fairness and allow optimum choice.

The following points were highlighted by members of the Adult Social Care and Public Health Cabinet Committee on 11 July 2014:

- a) concern was expressed that, now that use of geographical banding was to be discontinued, areas of Kent bordering London would be adversely affected by London pricing. It was explained that the new bands for types of care had been set to take account of the impact of London prices upon West Kent, and the intention was to address any gap in the actual cost and the guide price in the next three years following analysis from the cost models submitted by the Providers;
- b) concern was expressed that, using data relating to homes with more than 60 beds, some independent providers could be lost to the system. The Committee was assured that there would still be a useful role for smaller homes focusing specifically on personalised dementia care; and
- c) drawing on his recent experience of the work of the Commissioning Select Committee, one speaker expressed concern that eighteen months was a short a period for a contractual term. It was explained that this short period had been set to coincide with and take account of the impact of the 2016 provisions of the new Care Act. The first task for the new contractors would be to start to plan for the next renewal of the service in eighteen months' time.

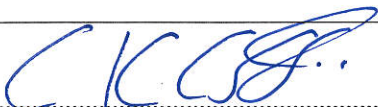
The Equality Impact Assessment that supports the work undertaken was shared with Cabinet Committee members. As part of this decision, the impact of the Assessment has been fully understood and reflects the decision taken.

Any alternatives considered:

As part of the planning process, DMT considered various options on how these services could be delivered. It was felt that a further price review would not best suit the needs of the council, service users or providers and it was felt that competitively tendering these services would give us the required transparency in order to carefully consider the actual cost of care provision across Kent and receive information required to prepare for the Care Act.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:

None



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signed

16 JULY 2014

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date