

**Analysis of responses to
Norfolk County Council
Cost of Care
Consultation on the**

**Proposed usual prices for Residential and Nursing
Care for Older People in Norfolk for the year 2016/17**

August 2016

1. Context

Norfolk County Council (“the Council”) is committed to promoting the continued independence of all adults in Norfolk by helping to prevent, reduce or delay the need for care and support. The Council recognises, of course, that for many people care and support provided in a residential or nursing care home may be required and in these circumstances the Council relies in the main on a market of independent care home operators to provide the high quality care needed and expected.

The Council is required to promote the effective and efficient operation of this market in care and does so in a number of ways and in particular by funding the care costs of people who are unable to fund their own care. It is important that the usual prices paid for this publicly funded care taken together with privately funded care is enough to ensure that the care provided is safe, of the right quality and is commercially sustainable.

The Council is undertaking a cost of care exercise aimed at establishing its usual prices for publicly funded residential and nursing care. In doing so the Council has had regard to its own financial position and proposed its usual prices for 2016/17 on which it consulted the market.

The Council sought providers’ views to help it to make a final determination on the prices that it would usually expect to pay for residential and nursing care in Norfolk.

This report provides an analysis of those consultation findings.

2. Background

On 29 April 2016 a report entitled ‘Usual price of residential and nursing care in Norfolk’ was submitted to the Adult Social Care Committee (the committee) setting out proposals for the usual prices for 2015/16 enabling the committee to retake its earlier decision in March 2015.

The report also set out proposals regarding the usual prices for 2016/17 which included inflation to be consulted upon and information about planned usual prices for 2017/18 and 2018/19 excluding inflation intended to be consulted upon in due course.

The Committee agreed to all of the recommendations in the report and on 3 May 2016 a letter was sent to providers confirming the new usual prices for 2015/16 and back dated payment arrangements and that a consultation would be commenced in relation to 2016/17 usual prices.

On 10 May 2016 a letter was sent to providers commencing a formal consultation on the proposed usual prices for 2016/17.

Providers were asked to use an online survey to give their feedback as that would assist in keeping views and opinions anonymous. However, they were also given alternative options to:

- respond by email at costofcare@norfolk.gov.uk
- send views in writing to - Freepost Plus RTCL-XSTT-JZSK, Norfolk County Council, County Hall, Martineau Lane, NORWICH, NR1 2DH. The Council explained that there would be no acknowledgement of receipt where comments were submitted as postal responses

Following a request from Fair Price for Care, Fair Price for Carers (FPCFPC) to substantiate the methodology used by the council to determine the impact of the national living wage a letter dated 6 June 2016 was sent to providers explaining the methodology and extending the consultation by a further two weeks to 21 June 2016 to enable the information to be properly considered.

Following a request from FPCFPC to clarify the council's position regarding third party top up agreements an explanatory letter was sent to providers dated 20 June 2016.

Following a further request from FPCFPC the council agreed to extend the date for receipt of the FPCFPC formal consultation response to 24 June 2016.

3 Responses in Relation to the Proposed Usual Prices for 2015/16

The consultation closed on 20 June 2016. The Council received two email responses, seven on line responses and no written responses.

3.1 Email Responses

Of the two email responses one was from an individual and one was a group response.

a) Group Response

The response received from the groups representing the care market was one response from FPCFPC and the NIC (Norfolk Independent Care) Working Group. This was a detailed response, covering key points and providing additional supporting data.

1. A letter entitled Response of FPCFPC and the NIC working group to the council's proposals for changes to its usual prices for 2016/17 for older person's residential care
2. An NMDS based analysis of pay rates
3. An analysis of direct care costs

b) Individual response

The one email response highlighted some of the key issues that were raised in the group response regarding. These included the Council's response to "top ups" and the national minimum wage.

3.2 On line consultation responses

Of the seven respondents, all seven identified that their organisation provided services for older people (including those with dementia and adults with physical disabilities).

a) Agreement with proposed usual prices

In response to the questions about how far providers agree or disagree that the Council's proposed usual prices for 2016/17 are reasonable

Residential standard 2016/17 are reasonable?	3 strongly disagree, 4 disagree
Residential enhanced 2016/17 are reasonable?	5 strongly disagree, 2 disagree
Nursing standard 2016/17 are reasonable? are not sure.	3 strongly disagree, 1 disagrees and 3
Nursing enhanced 2016/17 are reasonable? are not sure.	2 strongly disagree, 2 disagree and 3

Respondents explained the reasons for their agreement / disagreement with the proposed usual prices. Responses consistently highlighted the following reasons for not agreeing that the usual prices for 2016/17 are reasonable:

- Does not fully take account of impact of national living wage
- Full cost of auto enrolment for pensions not taken account of
- Current fees received by Norse
- Increase in levels of acuity for those placed in residential standard

b) Equality Impact Assessment.

No respondents provided information on details that the Council could have missed when considering ways that the proposals could impact on people with protected characteristics.

4 Further Analysis and Councils proposed position

Having given full consideration to the feedback, comments and additional data submitted as part of the consultation, the Council will produce a full report concluding the amendments that have been made to the usual price as a result of the consultation responses and confirming the usual price of residential and nursing care in Norfolk 2016/17.