

# **Royal Borough of Greenwich**

## **Market Sustainability and Fair Cost of Care Fund 2022-23**

### **Annex B: Cost of Care Report**

Part 1: Care homes

Part 2: Domiciliary Care

#### **Part 1: Care homes**

##### **1. Introduction**

The Royal Borough of Greenwich established an Adult Social Care Reforms Programme Board to lead on implementing and embedding the Adult Social Care Reform changes for Health and Adult Services.

The Programme board identified governance arrangements and initiated key workstreams to deliver on the different elements of the reforms. One workstream led the Market Sustainability and Fair Cost of Care fund requirements. The reforms structure enabled workstream leads to engage with all key stakeholders and ensure all communication and wider reforms were aligned to the Health and Adult Services (HAS) vision.

The Greenwich Integrated Commissioning Unit have strong relationships with the adult social care provider market which were further strengthened throughout the Covid-19 pandemic. Commissioners worked closely with providers through the pandemic providing and co-ordinating a range of support. Due to the established relationships and trust, it was agreed the approach to market engagement would be more effective using our own Integrated commissioning team with support from partners such as the Care Provider Alliance.

##### **2. Market Sustainability and Fair Cost of Care approach.**

The Royal Borough of Greenwich initially identified twenty-four locations in the borough where there was a CQC registration for providing care and support to older people over the age of 65. Based on the guidance and advice from Care England, thirteen of these locations were determined to be outside of the scope of the Market Sustainability and Fair Cost of Care fund because:

- They are in house Royal Borough of Greenwich operated care homes for people with a learning disability and excluded from the scope in the guidance.
- They are predominately Learning Disability or Mental Health care homes with working age adult residents making up the majority of the home's residents, and the presence of older people as residents is incidental to their focus.
- These homes were not within the vision or purpose of the exercise – i.e. the identification of cross subsidy in the market as we prepare for Section 18 (3) of the Care Act Duties to be enacted for October 2023 for care homes i.e. self-funders.

The remaining eleven care homes registered within the Borough were eligible to participate in the Fair Cost of Care exercise.

### **3. Engagement**

Learning from engagement throughout the pandemic demonstrated that there were high levels of provider attendance and involvement using the new virtual technology such as Microsoft teams and Zoom. Virtual technology enabled more people from each organisation to attend meetings locally. It was this learning that informed the initial provider engagement for the Market Sustainability and Fair Cost of Care exercise to be delivered using Microsoft teams.

The provider engagement consisted of the following main areas:

- introduction to the exercise, background, wider reforms and capturing feedback from providers on their preferred approach and Market sustainability planning
- undertaking the fair cost of care exercise
- training on using the data collection tools
- one to one support for providers to increase response rates
- feedback meetings to review any queries with submissions.

The first session with providers was led by our Director of Integrated Commissioning. The session launched the exercise with providing links to wider Reforms guidance. Providers from both local services and head office were invited to attend. The objectives of the initial sessions were to:

- share how the exercise fits with wider Adult Social Care reforms and guidance
- share requirements of the Fund and why it is important
- seek feedback from providers on who in their organisation needs to be included
- seek feedback on the process, data collection tools and planned timelines
- the support available and how to access it
- seek feedback on future Market Sustainability planning
- the providers were asked to contribute what support they might need to participate, any challenges or constraints.

Communication during the early stages was targeted at providers to ensure it reached the right people in the organisation and identify key persons who would be leading on the data input.

Sessions were held virtually with designated leads from each organisation to discuss the process, data collection tools, key dates, key contacts across both Royal Greenwich and providers.

A new set of sessions set out more detailed advice and support on how to submit costings using the data collection tools.

In line with national and regional authorities, the Council adopted the use of the iESE Fair Cost of Care tool for care homes (65+). The iESE Fair Cost of Care online tool and the parameters were consistent with national and regional local authorities.

This tool enabled the Council to identify providers in scope, have a platform for data submissions including verification, queries and approval.

The Council did not ask providers for further information outside of this iESE data collection tool or use any other data collection template.

The Care Provider Alliance supported the Council in delivering various market engagement sessions with providers across care homes and homecare to promote the importance of the exercise.

Some awareness and training sessions were delivered jointly in partnership with neighbour local authorities enabling the sharing of best practice and promoting wider discussion and questions.

Further communication was delivered via email, letters, and at all meetings held with Commissioners and contract managers.

Members of the Commissioning Team in the Council signed up to the Care Provider Alliance (CPA). Provider communication was cascaded to ensure messages were consistent and timely.

Providers were encouraged to participate using the iESE data collection tool for care homes.

Providers were able to attend Royal Greenwich specific training sessions delivered by Commissioners and the Care Provider Alliance. These training sessions ensured a focus on how to engage with and the completion of the data collection tools. In addition to this a range of support and information was shared including online demonstration videos, step by step guides, frequently asked questions and online community support.

Throughout the summer, the Integrated Commissioning team were able to monitor submissions from providers and ensure targeted support to individual providers. To maximise response rates, Commissioners held one to one meetings with providers to discuss any concerns or queries with the data received. The Care Provider Alliance (CPA) attended one to one meetings with commissioners and providers, where it was felt confidence in provider participation was lower.

Upon completion of the data collection, provider responses were reviewed and advice was received from CPA on common clarification queries, to ensure consistency of the advice and approach. All providers were able to have one to one meetings with Commissioners to discuss any queries with their submissions and identify areas for verification or amendments.

Engagement from the local market was good, with all providers attending virtual sessions and expressing a willingness to work with the local authority. The overall response rate for older people was 90.90%. This includes responses from a range of providers including Private Finance Initiatives (PFI) and charities.

<b>Registered Homes</b>	<b>Type</b>	<b>Number of returns</b>	<b>Percentage of local market</b>
11	PFI	3	27.27%
	Charity/Trustee	1	9%
	General	6	63.63%
	<b>Total responses</b>	10	90.90%

One provider did not submit a response to the exercise, the care home was very engaged at a local level and attended all the engagement sessions and one to one telephone support. The care home advised their head office would be populating the submissions and were positively engaged at a local level with expectations of submitting. The deadline for this provider was extended several times, allowing a further four weeks to submit their data. However, despite numerous confirmations this would be submitted, the head office registered with iESE but did not submit.

All providers were offered extensions to the final submission deadline which was originally set for 17 July 2022, but was extended multiple times to the end of August 2022.

#### **4. Verification of data**

During the data collection period training sessions were provided using Microsoft Teams with support from the Care Provider Alliance. This included detail explanations about what each of the data fields represented and guidance on how to populate the data.

Collaboration was a consistent theme running through all sessions and during one to one sessions, so there were opportunities for providers to ask questions and seek advice.

Some smaller providers found it more challenging to breakdown their costs in the template required, so tailored support was given both one to one and at group sessions to facilitate best practice sharing.

All providers were sent details including virtual sessions, online videos and help guides to assist.

As part of the support to verify and lock responses, providers had opportunities to attend virtual drop-in sessions, one to one meetings and phone calls with the Royal Borough of Greenwich Commissioning team and the Care Provider Alliance.

Each of the providers submissions were reviewed, with data verification queries sent back to them to clarify or explain.

Data queries were initially managed using the iESE query function, by adding comments to individual lines and commentary and putting the provider response into query. For any queries that could not be easily resolved using the iESE tool, providers were offered one to one telephone calls and virtual meetings.

Common outliers or clarification queries were discussed with the Care Provider Alliance and providers directly. In some cases, providers chose not to accept advice and continued to submit their data as is. This creates a fundamental cause for concern when calculating the median costs.

## **5. Challenges with the data**

This exercise presented significant and fundamental constraints, including issues with data quality, lack of clarity in the structure and guidance for the exercise and unreliable results being produced by the mathematical median calculation method. These challenges are detailed further below. These limitations are such that the results produced by this exercise cannot be treated as wholly reliable or accurate. The Royal Borough of Greenwich intends to work with providers from 2022/23 to agree local fee rates that are sustainable for the Royal Greenwich market.

The quality of the information produced by this exercise is limited by several key issues including:

5.1 The median rate reflects the middle of a range of responses received and does not guarantee that it will relate to an accurate market rate. The median calculation is more suitable to larger data sets, whereas for small sample sizes the addition or removal of a single value can significantly impact the median. The method does not give weighting to relevant factors such as the number of clients supported by a provider.

5.2 The ability of providers to separate one off grant funding income and expenditure.

5.3 In Royal Greenwich Round 2 of the Workforce Recruitment and Retention Fund enabled providers to offer staff additional payments either to their hourly rates, bonus, working over the festive season and other non-financial benefits. This grant funding was applied in the financial year 2021/22 and therefore expenditure is reflected in costs despite using one off grant funding.

5.4 In addition, the care home market in Royal Greenwich consists of eleven homes with three of these operating under a Private Finance Initiative contract. This added further complexity to the data due to the payment mechanisms in the contract and the configuration of beds within each of the three homes.

5.5 Some care home providers were unable to differentiate rates for providing care for people with dementia. As a result, in four responses the rate for residential and residential dementia or nursing and nursing dementia is the same. This presents a challenge in understanding the impact on staffing ratios to support people living with dementia or enhanced levels of need. This is likely to be an impact of different sample sizes.

5.6 The comparison of the data against the Improved Better Care Fund (iBCF) average fee does not necessarily reflect a like for like comparison, due to the methodology for calculating each differs.

5.7 There are other factors which will impact the cost of providing care. Since the submission deadline there has been new developments which will impact provider costs such as energy costs, inflation and London Living Wage increase. It is necessary to have a dynamic approach to understand local costs.

5.8 Funded Nursing care contributions are considered to be included in the fair cost of care outcome and therefore consideration would need to be given about the cost of nursing provision based on the outcome of this exercise and potential cost impact to health partners who also commission placements.

5.9 Feedback from providers during the engagement sessions was that the exercise does not address how to support the workforce challenges in the market and how to move staff rates of pay to be more competitive with other sectors such as retail.

## **6. Data Moderation**

### **6.1 Return on Capital and Return on Operations**

There are two aspects of the cost analysis where the Council intends to apply a consistent approach, relating to Return on Capital and Return on Investment. The rationale for this is:

- it is consistent with guidance
- it allows all ten responses to be incorporated with consistent methodology including the PFI contracts
- the rate applied is based on guidance by Laing Buisson in the Impact Assessment of the Implementation of Section 18(3) of the Care Act 2014 and Fair Cost of Care report published in 2022.
- One provider reported a zero figure for Return on Operation (ROO) and Return on Capital (ROC) so this enables a consistent approach

Greenwich have aligned the Return on Capital rate of 6% and Return on Operations of 5% based on the above rationale. Therefore, median rates for each element were calculated using the aforementioned percentages, applied to the subtotal to create overall total rates for each category of care. The median rate for the total price post ROO and ROC adjustments has been utilised for all care home submissions and this is reflected in Annex A.

Adopting this method allowed the Council to incorporate our PFI contract on a consistent basis.

### **6.2. Private Finance initiative**

Three of the eleven care homes are PFI care homes, with the same care provider also operating a fourth home in the Borough which does not form part of the PFI contract. The PFI contracts operate on a fixed contract with return on Capital and Operations determined via a set formula, linked to inflationary price indexes. For the purposes of the fair cost of care work, and in-line with the guidance, the PFI figures for return on operations and return on capital have been set at a standardised percentage rate as per the above methodology. All other aspects of their submission have remained in any median value calculations.

### **6.3 Charitable trusts**

One provider operates as part of a trust with a board of trustees, whilst they are located and registered within the Borough, they take only a limited number of placements from the local authority (accounting for less than 8% of their occupancy). Due to the nature of the provider they did not return a figure for return on operations or capital as their focus is supporting a specific eligibility criteria. This home has undergone a significant strategic review resulting in its overall capacity being reduced to half and invested in a major structural replacement programme, as part of a Health and Safety recommendations. The costs associated with both will not reflect the ongoing service costs, as the home embed strategic changes to the service and this is taken into consideration in the calculations by removing the return on capital from median rates.

The Council has used best judgment to ensure cost lines are not inflated or deflated and reflect provider actual costs. Where there are outliers, these were discussed with providers and

moderation has only been applied where outliers cannot be explained, this is described within this document. It was important that the approach and methodology were consistent and transparent, so sessions were held with providers and the CPA to offer advice and guidance on the data entry and validation process.

As per the guidance, the ROO and ROC has been represented as a 'financial return per resident per week' for both elements when the overall median has been applied to the relevant category of care, this is illustrated in Table B. This provides a consistent approach to ROO and ROC for care providers within the local market and will support the overall alignment of fees paid by local authorities to that of those charged to privately placed individuals.

## 7. Data tables

**Table A**

	Care Home occupied beds without nursing	Care Home occupied beds without nursing with dementia	Care Home occupied beds with nursing	Care Home occupied beds with nursing, dementia
Number of residents covered by the responses	41	139	144	162
Median return on Operations	£56.88	£47.64	£61.22	£57.62
Median return on Capital	£68.25	£57.17	£73.46	£69.14
ROO per client per week	£1.39	£0.34	£0.43	£0.36
ROC per client per week	£1.20	£1.20	£1.20	£1.20
Median 7.85% applied to total for ROO	£64.47	£54.28	£70.08	£71.27
Median of 13.04% applied to total for ROC	£77.37	£65.13	£84.09	£85.52
Per resident per week ROO	£1.57	£0.39	£0.49	£0.44
Per resident per week ROC	£1.89	£0.47	£0.58	£0.53
Total per resident per week	£3.46	£0.86	£1.07	£0.97

The table B illustrates the submitted data before moderation for all care types, with responses broken down to show the lower quartile, median and upper quartile of costs from all providers who submitted data.

Table C shows the same information as table B but aligns to Annex A's responses after moderation has been applied in the afore mentioned categories; such as ROO and ROC.

To formulate the totals calculated in Annex A the Council submitted the data in table C post moderation and adjustments made to ROO and ROC as justified earlier.

**Table B**

Cat of care	Median				Lower Quartile				Higher Quartile				Count of observations			
	Care Home occupied beds without nursing	Care Home occupied beds without nursing with dementia	Care Home occupied beds with nursing	Care Home occupied beds with nursing, dementia:	Care Home occupied beds without nursing	Care Home occupied beds without nursing with dementia	Care Home occupied beds with nursing	Care Home occupied beds with nursing, dementia:	Care Home occupied beds without nursing	Care Home occupied beds without nursing with dementia	Care Home occupied beds with nursing	Care Home occupied beds with nursing, dementia:	Care Home occupied beds without nursing	Care Home occupied beds without nursing with dementia	Care Home occupied beds with nursing	Care Home occupied beds with nursing, dementia:
<b>Total Care Home Staffing</b>	£798.08	£689.98	£916.92	£885.94	£733.58	£563.72	£780.16	£568.65	£1,548.03	£1,947.59	£2,258.60	£2,244.06				
Nursing Staff	£0.00	£0.00	£220.73	£220.73	£0.00	£0.00	£276.20	£0.00	£0.00	£405.91	£710.57	£710.57	4	6	6	6
Care Staff	£560.52	£466.21	£460.56	£446.70	£535.14	£454.67	£398.01	£448.69	£946.86	£946.86	£946.86	£946.86	4	6	6	6
Therapy Staff (Occupational & Physio)	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£18.98	£18.98	£18.98	£18.98	4	6	6	6
Activity Coordinators	£0.00	£7.84	£9.91	£12.66	£0.00	£0.00	£0.00	£0.00	£25.09	£25.09	£25.09	£25.09	4	6	6	6
Service Management (Registered Manager/Deputy)	£0.00	£27.34	£40.25	£41.27	£0.00	£0.00	£0.00	£0.00	£104.72	£104.72	£104.72	£104.72	4	6	6	6
Reception & Admin staff at the home	£89.83	£52.17	£27.60	£23.28	£67.48	£19.38	£18.52	£20.36	£102.36	£96.01	£102.36	£87.82	4	6	6	6
Chefs / Cooks	£63.82	£49.77	£63.58	£49.77	£58.79	£27.93	£32.53	£36.84	£85.23	£85.23	£85.23	£85.23	4	6	6	6
Domestic staff (cleaning, laundry & kitchen)	£53.86	£60.53	£57.19	£58.72	£50.09	£57.94	£53.55	£54.46	£139.80	£139.80	£139.80	£139.80	4	6	6	6
Maintenance & Gardening	£0.00	£4.29	£8.57	£9.45	£0.00	£0.00	£0.00	£0.00	£22.92	£22.92	£22.92	£22.92	4	6	6	6
Other care home staffing (please specify)	£30.06	£21.86	£28.53	£23.38	£22.08	£3.80	£1.37	£8.31	£102.07	£102.07	£102.07	£102.07	4	6	6	6
<b>Total Care Home Premises</b>	£64.96	£52.14	£37.78	£33.30	£17.04	£24.98	£23.89	£23.95	£141.88	£136.74	£141.88	£129.64	4	6	6	6
Fixtures & fittings	£5.39	£5.39	£5.89	£3.72	£4.37	£3.35	£3.86	£3.76	£12.57	£7.43	£12.57	£6.90	4	6	6	6
Repairs and maintenance	£26.72	£38.90	£26.77	£24.26	£12.67	£19.82	£17.74	£18.26	£58.27	£58.27	£58.27	£58.27	4	6	6	6
Furniture, furnishings and equipment	£4.23	£7.86	£5.12	£4.85	£0.00	£1.82	£2.29	£1.93	£12.93	£12.93	£12.93	£12.93	4	6	6	6
Other care home premises costs (please specify)	£28.62	£0.00	£0.00	£0.47	£0.00	£0.00	£0.00	£0.00	£58.11	£58.11	£58.11	£51.54	4	6	6	6
<b>Total Care Home Supplies and Services</b>	£138.96	£124.00	£131.08	£145.25	£114.06	£102.15	£98.35	£106.18	£235.20	£237.93	£248.47	£245.09	4	6	6	6
Food supplies	£44.82	£36.47	£38.79	£37.05	£37.93	£32.82	£30.70	£33.73	£74.70	£74.70	£74.70	£74.70	4	6	6	6
Domestic and cleaning supplies	£9.11	£8.02	£8.39	£10.34	£7.44	£6.94	£7.36	£7.38	£27.03	£27.03	£27.03	£27.03	4	6	6	6
Medical supplies (excluding PPE)	£14.48	£11.88	£15.75	£14.48	£11.64	£5.34	£10.09	£10.47	£19.04	£19.04	£27.56	£27.56	4	6	6	6
PPE	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£1.91	£1.90	£1.43	4	6	6	6
Office supplies (home specific)	£6.84	£5.33	£4.84	£4.84	£5.57	£4.10	£3.52	£4.28	£8.40	£8.40	£8.40	£7.12	4	6	6	6
Insurance (all risks)	£0.00	£3.81	£6.68	£6.71	£0.00	£0.00	£0.00	£0.00	£7.95	£8.43	£7.95	£7.95	4	6	6	6
Registration fees	£3.70	£3.63	£3.74	£3.94	£3.66	£3.54	£3.66	£3.63	£4.71	£4.71	£4.71	£4.71	4	6	6	6
Telephone & internet	£1.88	£1.83	£1.60	£1.32	£1.39	£1.59	£1.15	£1.33	£2.72	£2.72	£2.72	£2.24	4	6	6	6
Council tax / rates	£1.26	£0.68	£0.64	£0.64	£0.61	£0.59	£0.54	£0.59	£2.47	£2.47	£2.47	£1.57	4	6	6	6
Electricity, Gas & Water	£45.34	£42.55	£39.54	£50.84	£36.11	£39.16	£34.25	£36.87	£62.15	£62.15	£62.15	£62.15	4	6	6	6
Trade and clinical waste	£7.04	£5.45	£7.03	£5.56	£6.66	£5.25	£4.79	£5.30	£7.94	£7.04	£9.55	£9.55	4	6	6	6
Transport & Activities	£1.71	£2.39	£2.19	£1.34	£1.18	£1.64	£1.14	£1.22	£2.58	£3.82	£3.82	£3.57	4	6	6	6
Other care home supplies and services costs (please specify)	£2.80	£1.98	£1.89	£8.21	£1.87	£1.19	£1.18	£1.36	£15.51	£15.51	£15.51	£15.51	4	6	6	6
<b>Total Head Office</b>	£132.97	£90.64	£79.50	£65.64	£86.31	£60.93	£55.99	£61.84	£161.10	£201.76	£225.47	£194.26	4	6	6	6
Central / Regional Management	£103.27	£60.73	£49.79	£36.43	£64.05	£33.46	£27.83	£34.20	£130.95	£121.14	£130.95	£98.76	4	6	6	6
Support Services (finance / HR / legal / marketing etc.)	£29.70	£29.92	£29.71	£28.21	£22.26	£27.48	£28.16	£27.65	£30.15	£66.12	£59.78	£53.34	4	6	6	6
Recruitment, Training & Vetting (incl. DBS checks)	£0.00	£0.00	£0.00	£1.00	£0.00	£0.00	£0.00	£0.00	£0.00	£14.50	£14.50	£21.92	4	6	6	6
Other head office costs (please specify)	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£20.24	£20.24	4	6	6	6
<b>Total Return on Operations</b>	£137.61	£89.51	£119.00	£123.59	£89.25	£57.31	£55.86	£65.30	£158.19	£158.19	£158.19	£143.68	4	6	6	6
<b>Total Return on Capital</b>	£190.00	£130.31	£177.48	£176.86	£142.50	£70.61	£123.42	£125.14	£190.00	£190.00	£190.00	£190.00	4	6	6	6
<b>Total</b>	£1,462.56	£1,176.56	£1,461.76	£1,430.56	£1,182.74	£879.71	£1,137.66	£951.07	£2,434.40	£2,872.21	£3,222.61	£3,146.73				

Table C

Cat of care	Median				Lower Quartile				Higher Quartile				Count of observations			
	Care Home occupied beds without nursing	Care Home occupied beds without nursing with dementia	Care Home occupied beds with nursing	Care Home occupied beds with nursing, dementia:	Care Home occupied beds without nursing	Care Home occupied beds without nursing with dementia	Care Home occupied beds with nursing	Care Home occupied beds with nursing, dementia:	Care Home occupied beds without nursing	Care Home occupied beds without nursing with dementia	Care Home occupied beds with nursing	Care Home occupied beds with nursing, dementia:	Care Home occupied beds without nursing	Care Home occupied beds without nursing with dementia	Care Home occupied beds with nursing	Care Home occupied beds with nursing, dementia:
<b>Total Care Home Staffing</b>	£798.08	£689.98	£916.92	£885.94	£733.58	£563.72	£780.16	£568.65	£1,548.03	£1,947.59	£2,258.60	£2,244.06				
Nursing Staff	£0.00	£0.00	£220.73	£220.73	£0.00	£0.00	£276.20	£0.00	£0.00	£405.91	£710.57	£710.57	4	6	7	6
Care Staff	£560.52	£466.21	£460.56	£446.70	£535.14	£454.67	£398.01	£448.69	£946.86	£946.86	£946.86	£946.86	4	6	7	6
Therapy Staff (Occupational & Physio)	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£18.98	£18.98	£18.98	£18.98	4	6	7	6
Activity Coordinators	£0.00	£7.84	£9.91	£12.66	£0.00	£0.00	£0.00	£0.00	£25.09	£25.09	£25.09	£25.09	4	6	7	6
Service Management (Registered Manager/Deputy)	£0.00	£27.34	£40.25	£41.27	£0.00	£0.00	£0.00	£0.00	£104.72	£104.72	£104.72	£104.72	4	6	7	6
Reception & Admin staff at the home	£89.83	£52.17	£27.60	£23.28	£67.48	£19.38	£18.52	£20.36	£102.36	£96.01	£102.36	£87.82	4	6	7	6
Chefs / Cooks	£63.82	£49.77	£63.58	£49.77	£58.79	£27.93	£32.53	£36.84	£85.23	£85.23	£85.23	£85.23	4	6	7	6
Domestic staff (cleaning, laundry & kitchen)	£53.86	£60.53	£57.19	£58.72	£50.09	£57.94	£53.55	£54.46	£139.80	£139.80	£139.80	£139.80	4	6	7	6
Maintenance & Gardening	£0.00	£4.29	£8.57	£9.45	£0.00	£0.00	£0.00	£0.00	£22.92	£22.92	£22.92	£22.92	4	6	7	6
Other care home staffing (please specify)	£30.06	£21.86	£28.53	£23.38	£22.08	£3.80	£1.37	£8.31	£102.07	£102.07	£102.07	£102.07	4	6	7	6
<b>Total Care Home Premises</b>	£64.96	£52.14	£37.78	£33.30	£17.04	£24.98	£23.89	£23.95	£141.88	£136.74	£141.88	£129.64	4	6	7	6
Fixtures & fittings	£5.385	£5.385	£5.89	£3.72	£4.37	£3.35	£3.86	£3.76	£12.57	£7.43	£12.57	£6.90	4	6	7	6
Repairs and maintenance	£26.72	£38.90	£26.77	£24.26	£12.67	£19.82	£17.74	£18.26	£58.27	£58.27	£58.27	£58.27	4	6	7	6
Furniture, furnishings and equipment	£4.23	£7.86	£5.12	£4.85	£0.00	£1.82	£2.29	£1.93	£12.93	£12.93	£12.93	£12.93	4	6	7	6
Other care home premises costs (please specify)	£28.625	£0	£0	£0.465	£0.00	£0.00	£0.00	£0.00	£58.11	£58.11	£58.11	£51.54	4	6	7	6
<b>Total Care Home Supplies and Services</b>	£138.96	£124.00	£131.08	£145.25	£114.06	£102.15	£98.35	£106.18	£235.20	£237.93	£248.47	£245.09	4	6	7	6
Food supplies	£44.815	£36.465	£38.79	£37.045	£37.93	£32.82	£30.70	£33.73	£74.70	£74.70	£74.70	£74.70	4	6	7	6
Domestic and cleaning supplies	£9.105	£8.02	£8.39	£10.34	£7.44	£6.94	£7.36	£7.38	£27.03	£27.03	£27.03	£27.03	4	6	7	6
Medical supplies (excluding PPE)	£14.475	£11.88	£15.75	£14.475	£11.64	£5.34	£10.09	£10.47	£19.04	£19.04	£27.56	£27.56	4	6	7	6
PPE	£0	£0	£0	£0	£0.00	£0.00	£0.00	£0.00	£0.00	£1.91	£1.90	£1.43	4	6	7	6
Office supplies (home specific)	£6.84	£5.325	£4.84	£4.84	£5.57	£4.10	£3.52	£4.28	£8.40	£8.40	£8.40	£7.12	4	6	7	6
Insurance (all risks)	£0	£3.81	£6.68	£6.71	£0.00	£0.00	£0.00	£0.00	£7.95	£8.43	£7.95	£7.95	4	6	7	6
Registration fees	£3.7	£3.625	£3.74	£3.935	£3.66	£3.54	£3.66	£3.63	£4.71	£4.71	£4.71	£4.71	4	6	7	6
Telephone & internet	£1.88	£1.83	£1.6	£1.315	£1.39	£1.59	£1.15	£1.33	£2.72	£2.72	£2.72	£2.24	4	6	7	6
Council tax / rates	£1.255	£0.68	£0.64	£0.64	£0.61	£0.59	£0.54	£0.59	£2.47	£2.47	£2.47	£1.57	4	6	7	6
Electricity, Gas & Water	£45.34	£42.55	£39.54	£50.84	£36.11	£39.16	£34.25	£36.87	£62.15	£62.15	£62.15	£62.15	4	6	7	6
Trade and clinical waste	£7.035	£5.45	£7.03	£5.56	£6.66											





Future care home uplifts are based on contractual requirements and local negotiations, whilst taking in to account local authority budgetary constraints and provider inflationary pressures.

A considerable proportion of available funds to uplift rates is absorbed by the PFI contract due to the uplift mechanism in the contract linked to RPI. In addition to this the Council is liable for additional costs such as utilities which will place further financial pressure on the local authority as these costs increase alongside RPI rises.

The outcome of the fair cost of care exercise is not intended to be a direct replacement for the fee setting element of the local authority commissioning process or individual contract negotiations.

It is expected that actual fee rates may differ based on sound judgement, evidence and local negotiation. The fair cost of care will be an element to inform future negotiations taking into consideration other known market factors such as inflation, demand, capacity, benchmarking, quality and importantly affordability for the Local Authority.

## **10. Commissioning Intentions**

- The Government Market Sustainability and Fair Cost of Care fund is the first part of ongoing provider engagement and future market sustainability planning. Further engagement and events will be planned as we continue to learn from the outcomes of this exercise and set our future commissioning intentions
- we will be embarking on a series of market engagement events with providers, to communicate our market position, outcome of the exercise, strategy and commissioning intentions; this work will be closely linked to the development of the Provider Assessment and Market Management Solution (PAMMS) landscape tool
- the Council will adopt a new PAMMS to better share information with providers about our demand, capacity and future growth
- the fair cost of care exercise does not replace or remove the need for individual pricing negotiations to take place and will communicate this directly with providers at future engagement events, in addition to outlining our strategy to align prices and fees within budgetary constraints
- the fair cost of care will be an element to inform future negotiations taking into consideration other known market factors such as inflation, demand, capacity, benchmarking, quality and importantly affordability for the local authority
- we have incorporated a 'Progressive change' element within our new homecare model; this will focus on supporting providers to adapt and change the way they work, interact with the local authority and provide independence enhancing care and support to residents. Through progressive change we will work collaboratively with providers to adapt their care delivery in line with our 'thinking differently' initiative; focusing on a strengths based assessment, care delivery and improved outcomes
- the new Homecare model was tendered utilising the ADASS pricing model, this model is closely aligned to the Local Government Association (LGA) tool which we utilised for the fair cost of care exercise. The Royal Borough of Greenwich is focusing on our commitment to payment of the London Living Wage to homecare carers. The new homecare pricing ensures that those providers delivering homecare within the new contract are sustainable and have the necessary funding to invest in their workforce
- the Council is committed to growing the 'Home First' programme to support the safe discharge of residents in hospital back in to their homes with appropriate support. This programme includes a 'Discharge to assess' service, temporary housing, Dementia support in the community and temporary community support. The Home First initiative is a three year transformation programme across local systems that allows residents to receive the highest quality care in the most independent environment and wherever possible, this should be the person's home. Our vision is that our Home First services will enable system partners to

provide flexible, holistic and rapid interventions which provide a real alternative to hospital care

- the Health and Adult Services (HAS) vision, focuses on supporting a strength based approach to care and support and delivering care; embedding changes withing all services delivered and offered by adult social care. Within these changes there is also a focus on the strengths of residents and staff, communities and diversity to enable residents to live a life they choose, supporting their independence and their networks to provide choice on how they wish for their needs to be met. This also includes ensuring the right information is available, at the right time and in the right accessible format to ensure residents can access the information they need
- the new reablement rotation supports the training of external homecare providers, within the new contract, to allow the Council to expand the use of independence enhancing and outcome focused care through continuous training and care worker development
- the Council reablement service has moved to be therapy led, focusing on supporting residents to regain independence within the home and delay Care Home placements and increased homecare use, by supporting people post hospital discharge or acute needs change. This is linked closely with the Reablement rotation and expand this ethos and skill set in the community
- the Council is working diligently on demand modelling and data analysis so that services and support can be adjusted to match need variation and market growth.
- the Royal Borough of Greenwich has a Dementia strategy that incorporates developing the Dementia Inclusive Greenwich initiative, so the borough remains a dementia inclusive place to live, work and visit
- the wider reforms work, provides a foundation for the Council to provide digital platforms, including the use of Assistive Technology Enabled Care (ATEC) to prevent, reduce and delay needs, as well as support residents independence
- the Council will also focus on the increased use of self-directed support, to empower residents and carers to have increased choice in meeting their identified and eligible needs
- the reforms also promote and supports the Council to adopt a system wide approach to ensure the availability of resources, such as accommodation to meet needs, supported living and shared lives.