

HEALTH OVERVIEW AND SCRUTINY COMMITTEE, 1 MARCH 2018

AGENDA ITEM 8: UPDATE RE CARE HOME CHARGES

With regard to the usual rates, an uplift to older people's residential and nursing care rates was agreed for the 2017/18 financial year to recognise the additional pressure faced by providers such as the national living wage and support the Council to remain competitive as a purchaser in the market. The usual fees changed as follows:

	Current usual rate	Percentage increase	New increased usual rate
Residential Frail rate	£471.51	7.3%	£506
Residential dementia rate	£545.46	4%	£568
Nursing frail rate	£502.58	2%	£513
Nursing dementia rate	£518.66	2%	£529
Nursing Higher rate	£528.31	2%	£539

Providers had fed back that the Council's lowest rate, supporting frail elderly, was unsustainable. Residents moving into a care home now have higher needs and whether they have dementia or not they are so frail that there is less difference in the amount of support they need compared to those with dementia. Therefore the Council increased this rate significantly to recognise this issue and ensure those homes that have taken our lowest rate will benefit most from the uplift.

The dementia rate rose by 4% to maintain Havering as reasonable within its comparator groups, to respond to feedback from providers and meet the needs of residents.

The nursing market fed back that all homes are required to provide the living wage, pensions and absorb inflation but in addition nursing homes have seen a 16% increase in nursing wages. The cause for this is the shortage of nurses meaning homes are reliant on expensive agency staff. This was a key consideration in the Council approving a 2% increase to all nursing rates.

Through 2017/18 the Council have been working with care homes to agree a breakdown of costs in residential care. This will be used to develop a long term strategy for fees.

Ben Campbell

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Adult Services