

**Adult Social Care Home Fees (over 65) Model**

- (1) Local authorities are required to pay for care home accommodation for those who are assessed as requiring it and are expected to pay the “usual cost” of such accommodation. This is usually determined by the use of a “fees model” of some description and Torbay’s current model for clients aged over 65 has been in place since 2013/14.
- (2) The Council, as the responsible body, recognised the need to review and update the model. In part this was due to changes in the care homes market and also a reflection that the previous model was created prior to the implementation of Care Act legislation. A new model for care homes fees for clients aged over 65 has therefore been developed, with effect from 2019/20. Valuing Care, a consultancy organisation, with a successful track record in developing care home fees models for other Local Authorities, was appointed to undertake this exercise with assistance from Council and NHS staff.
- (3) The model and the consequential fees for 2019/20 have been out for consultation for a six week period. During that period only one home owner took the opportunity to meet with council staff on the matter. The questions raised in this meeting were over clarification of some points in the model. No further responses were received as part of the consultation.
- (4) The new model is less complicated than the previous version and uses nationally validated data on which it is based with local prices, such as labour rates and property prices. The new model retains four bands
- (5) The new model reflects the staffing levels currently in place and which are based on current working practices taking into account the changes witnessed over the past five years.
- (6) Prices will be amended annually based on the September price index (compared to the December price base previously used), which should ensure that the Council and our NHS integrated care organisation (ICO) will be able to announce the fees to be paid in the new financial year much earlier than previously has been the case.
- (7) A profit/return on investment element has been built into the model based on a return on operations and a return on investment/capital (using information that the DHSS uses when assessing local housing allowances for the latter element).
- (8) Although a “like for like” comparison is not appropriate or easy to undertake, the largest changes in the impact have been seen in the old “residential standard” category where a number of factors have contributed to a significant rise in the price that the Council/ICO will pay in the future. It should be noted though that the prices that are emerging from the model reflect the prices the ICO is currently having to pay to place clients.

## Care Home Fees Model – Base position

Cost Grouping	Cost Type	Residential Older	Residential with Complex needs	Nursing Older	Nursing with Complex needs	Repricing Indicator
		Hours	Hours	Hours	Hours	
	Care Workers	14.56	16.48	16.26	18.57	
<b>Staffing</b>	Senior Care Workers	5.29	5.99	3.25	3.71	
<b>Inputs</b>	Total Care	19.85	22.47	19.51	22.29	
	Cooks/Chiefs	2.23	2.23	2.23	2.23	
	Domestic	2.77	2.77	2.77	2.77	
		£	£	£	£	
<b>Direct cost</b>	Care Workers	10.27	10.27	10.27	10.27	<b>NLW</b>
<b>Of Staff</b>	Senior Care Workers	11.69	11.69	11.69	11.69	<b>NLW</b>
<b>Per Hour</b>	Cooks/Chiefs	11.26	11.26	11.26	11.26	<b>NLW</b>
	Domestic	9.96	9.96	9.96	9.96	<b>NLW</b>
	Senior/Care Workers	211.38	239.26	204.98	234.08	<b>NLW</b>
<b>Care Home</b>	Activity Co-ordinators	7.71	7.71	7.71	7.71	<b>NLW</b>
<b>Staffing</b>	Registered Manager	37.65	37.65	28.31	28.31	
	Reception/Admin	10.38	10.38	10.38	10.38	
	Cooks/Chiefs	25.10	25.10	25.10	25.10	
	Domestic staff	27.62	27.62	27.62	27.62	<b>NLW</b>
	Maintenance/Garden	8.06	8.06	8.06	8.06	<b>NLW</b>
	<b>TOTAL</b>	<b>327.90</b>	<b>355.78</b>	<b>313.01</b>	<b>341.26</b>	
<b>Care Home</b>	Fixtures & Fittings	6.70	6.70	6.70	6.70	<b>CIPH 05.1</b>
<b>Premises</b>	Repairs & Maint'nce	17.07	17.07	17.07	17.07	<b>CIPH 04.3</b>
	Furniture & Equipm't	6.33	6.33	6.33	6.33	<b>CIPH 05.1</b>
	<b>TOTAL</b>	<b>30.10</b>	<b>30.10</b>	<b>30.10</b>	<b>30.10</b>	
<b>Care Home</b>	Food Supplies	27.40	27.40	27.40	27.40	<b>CIPH 01.1</b>
<b>Supplies</b>	Dom & Cleaning Supp.	6.10	6.10	6.10	6.10	<b>CIPH</b>
<b>and</b>	Medical Supplies	2.23	2.23	7.26	7.26	<b>CIPH 06.1.1</b>
<b>Services</b>	Office Supplies	2.29	2.29	2.29	2.29	<b>CIPH</b>
	Insurance	3.64	3.64	3.64	3.64	<b>CIPH</b>
	Registration (Inc. DBS)	3.35	3.35	3.35	3.35	<b>CIPH</b>
	Telephone & Internet	1.41	1.41	1.41	1.41	<b>CIPH 08.2</b>
	Council Tax	1.25	1.25	1.25	1.25	<b>CIPH 04.9</b>
	Utilities	18.24	18.24	18.24	18.24	<b>CIPH 04.5</b>
	Trade & Clinic Waste	3.49	3.49	3.49	3.49	<b>CIPH</b>
	Transport & Activities	2.48	2.48	2.48	2.48	<b>CIPH</b>
	Other	3.00	3.00	3.00	3.00	<b>CIPH</b>
	<b>TOTAL</b>	<b>74.88</b>	<b>74.88</b>	<b>79.91</b>	<b>79.91</b>	
<b>Head</b>	Central Management	20.92	20.92	20.92	20.92	<b>CIPH</b>

<b>Office</b>	Support Services	15.46	15.46	15.46	15.46	<b>CIPH</b>
	Recruitment & Train.	2.30	2.49	2.19	2.39	<b>CIPH</b>
	<b>TOTAL</b>	<b>38.67</b>	<b>38.87</b>	<b>38.56</b>	<b>38.77</b>	
	<b>TOTAL OPERATING COST</b>	<b>471.55</b>	<b>499.62</b>	<b>460.8</b>	<b>490.04</b>	
<b>RCCO</b>	Return on Capital	73.14	73.14	73.14	73.14	<b>BRMA</b>
	Return on Operations	23.58	24.98	23.04	24.51	<b>N/Applic.</b>
	<b>TOTAL</b>	<b>96.71</b>	<b>98.12</b>	<b>96.18</b>	<b>97.64</b>	
<b>TOTAL</b>	<b>FEE FOR SERVICES</b>	<b>568.26</b>	<b>597.74</b>	<b>556.97</b>	<b>587.68</b>	

**Recommended Fees 2019-20**

	<b>Residential Older People</b>	<b>Residential with Complex Needs</b>	<b>Nursing Older People</b>	<b>Nursing with Complex Needs</b>
<b>2018/19</b>	£429.00	£569.00	£550.00 (£708.16)	£573.00 (£731.16)
<b>2019/20</b>	<b>£ 593.00</b>	<b>£ 625.00</b>	<b>£ 581.00 (+ FNC)</b>	<b>£ 614.00 (+FNC)</b>