

# CABINET COMMITTEE

## PAYMENT TO INDEPENDENT SECTOR CARE PROVIDERS



Nottinghamshire  
County Council

NOTES OF THE MEETING HELD ON  
MONDAY 25<sup>TH</sup> SEPTEMBER 2006  
(9.30 AM – 11.20 AM)

### MEMBERSHIP

#### Councillors

Mike Storey (Chair)  
Dick Anthony  
Steve Carroll

#### Non-voting Members

Councillor John Allin  
Councillor Richard Butler  
Councillor Steve Carr  
Councillor The Hon Joan Taylor

#### Also in Attendance

Keith Dobb	)	
James Hutchinson	)	Nottinghamshire Care Association
Alan Pearce	)	
Andrea Gamble	)	Four Seasons
Mandy Vernon	)	Healthcare
Paul Higgins	-	Florence Mallaband Ltd

### 1. APPOINTMENT OF CHAIR OF THE COMMITTEE

**RESOLVED: 2006/001**

That the appointment of Councillor Mick Storey as Chair of the Committee be noted.

## **2. MEMBERSHIP OF THE COMMITTEE**

### **RESOLVED: 2006/002**

That the membership of the Committee, as set out on the agenda, be noted.

## **3. TERMS OF REFERENCE**

### **RESOLVED: 2006/003**

That the Committee's Terms of Reference, set out on the agenda for the meeting, be noted.

## **4. APOLOGIES FOR ABSENCE**

There were no apologies for absence received.

## **5. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS**

Councillor Steve Carr declared a personal interest in all matters to be considered by the Committee as his mother was placed in a nursing home in Nottinghamshire, funded by Derbyshire County Council.

## **6. PAYMENT TO INDEPENDENT SECTOR CARE PROVIDERS**

The representative of the Strategic Director (Adult Social Care and Health) advised the Committee that the report circulated contained the background to this matter and the key issues for consideration. Discussion on these matters had taken place at an informal meeting the previous week and a note of these discussions is attached as an appendix to these Minutes to inform the Committee's proceedings.

### **RESOLVED:- 2006/004**

1. That the report be noted and
2. that the notes of the informal meeting held on 19<sup>th</sup> September 2006, as set out in the appendix to the report, be received.

## **7. CARE OF OLDER PEOPLE – RATES PAID BY THE COUNTY COUNCIL: AN INDEPENDENT SECTOR VIEW**

In accordance with Section 100 (B) (4) of the Local Government Act 1972 the Chair approved submission of this item as an urgent item to be considered at the meeting in order that the Committee could receive the views of the independent sector care home providers in advance of the Committee's next meeting.

Keith Dobb, Chair of the Nottinghamshire Care Association, presented the views of the independent sector in response to the previous report, which could be summarised as follows:-

- Now that there were no national payment rates, he entirely accepted that it was appropriate for each Local Authority to set its own fee rates having regard to local circumstances, however he felt that the evidence presented demonstrated that the fees in Nottinghamshire were on the low side, sufficiently low enough to jeopardise sustaining the market (in this connection he circulated further comparisons with Northumberland which showed that in the period 2003 – 2006 increases in fees in Northumberland were twice those in Nottinghamshire).
- he would like to be in a situation to agree a fair price model with Nottinghamshire which could be reconciled with the County Council's overall budget and that any increased fees could then be implemented on an incremental basis, recognising budget constraints
- in this latter respect he referred to figures for 2006/07 produced by Laing and Buisson which indicated that a fair price should be £445 per week residential and £575 per week nursing, whereas the figures in Nottinghamshire were £326 and £351 respectively
- any discussions concerning the adoption of a fair price model should take into account factors impacting on independent providers in terms of implementing increases in the minimum wage, holiday entitlements and fuel costs
- figures in appendix 4 to the previous item showed that the average growth weekly expenditure per person on supporting older people in the Authority's own residential care in 2004/05 was £585.45 and that this was a much higher figure than paid in the independent sector; this was a continuing source of concern to Care Association members who felt that a more fair balance was required.

Arising from this presentation, Members sought clarification/made comments as follows:-

- In the Adult Social Care and Health area the County Council was faced with a number of competing demands which it had to satisfy within its existing budget, or through other ring-fenced provision, whilst meeting government targets often about giving extra choice to citizens and prevention of hospital admission or care homes
- the comments in the second paragraph on page 3 were unfortunate bearing in mind that this was a public document; in response, Mr. Dobbs said that although asking for hard

evidence of these instances this had, unfortunately, not been forthcoming.

In respect of the latter point, the Chair suggested that if in future Care Association members knew of such instances then a way forward might be for these to be reported either to their local County Councillor or through the County Council's Complaints Procedure.

Representatives of the Strategic Director made the following comments on the presentation:-

- As Service Director, Mr. Dillon had been aware of occasional comments made about social workers seeking to influence potential residents as referred to in Mr. Dobbs paper but that in 10 years of being responsible for the service he had asked for but received no evidence to this effect and he repeated his request for evidence to be presented on any such matters which he would take extremely seriously
- on a similar issue, Mr. Dillon would also wish to have evidence presented to him about the Council trying to place residents in the cheapest available accommodation (section 6 of Mr. Dobb's paper) as he would again take such matters seriously; however, the approach taken in these matters by his staff was about providing an appropriate choice in accordance with normal fee levels, and availability of third parties to make 'top-ups' if homes required them
- he did not accept that there was a continuing trend of home closures (as referred to in section 2 of Mr. Dobbs report) as since January 2003 247 beds for older people had closed/had changed to provide for other groups, but 215 new ones had been gained; the reasons given for these losses varied but they were not, by any means, solely economic ones
- following on from the above point it had to be recognised that occupancy was as much of an issue as fee structure in that independent providers needed to provide what the Council wished to purchase, recognising Government targets
- it was also pointed out that the Laing and Buisson figures referred to in the meeting assumed a 13% rate of return intended to stimulate investment in new areas and also included NHS contribution rates and
- finally Mr. Dillon cleared up some minor misunderstandings in the text of Mr. Dobb's report.

The Chair thanked Members and representatives of the Care Association for their input into the meeting and said that comments made would be

considered in the Committee's report to Cabinet in November. In conclusion, he asked if any of those present wished to make any final closing comments. In response, Care Association members said that they particularly wished the County Council to bear in mind;

- Firstly, the predicted demographic trend in terms of the increase in the number of people in the 85+ age group and the need for independent sector providers to balance this need with the often competing argument for independence and
- secondly, that the County Council simply does not pay enough in fees bearing in mind the increasing costs that will fall on providers.

**RESOLVED: 2006/005**

1. That representatives of the independent sector be thanked for attending the meeting and presenting their views and
2. that the views expressed above be taken into account in submitting the Committee's report to Cabinet in November 2006.

**CHAIR**

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