

REPORT TO: DUNDEE CITY COUNCIL SOCIAL WORK COMMITTEE

REPORT ON: RATES OF PAYMENT FOR INDEPENDENT SECTOR RESIDENTIAL AND NURSING HOME CARE

REPORT BY: DIRECTOR OF SOCIAL WORK

REPORT NO: 289-2000

1 PURPOSE OF THE REPORT

1.1 This report proposes revised payment rates for independent sector residential and nursing home care.

2 RECOMMENDATIONS

It is recommended that:-

2.1 payments made to independent sector residential and nursing homes be increased by 3% on average from 10 April 2000. Detailed recommendations are attached at Appendix 2.

2.2 the Director of Social Work is instructed to continue negotiations with independent sector providers on fee levels, with a further report being presented to Committee in due course.

3 FINANCIAL IMPLICATIONS

3.1 The costs of implementing the above recommendations will be met from the 2000/2001 revenue budget.

4 LOCAL AGENDA 21 IMPLICATIONS

4.1 None.

5 EQUAL OPPORTUNITIES IMPLICATIONS

5.1 None.

6 MAIN TEXT

6.1 Since 1 April 1993, it has been the responsibility of local authorities to fund placements in independent sector residential and nursing homes where service users are assessed as being unable to meet the full costs of their placements.

6.2 Since the inception of Dundee City Council, the number of service users supported in the independent sector by the authority has increased significantly (see Appendix 1). Service users pay the full cost of their care only when they have savings of over £16000. Those who do not pay the full cost are financially supported by the local authority, up to the maximum weekly rate for that category of home.

6.3 The local authority has discretion to determine the rates it considers appropriate to pay independent sector providers of residential and nursing home care. The rates recommended take account of the current levels of pay and non-pay inflation.

6.4 As residents become increasingly frail and dependent, their care needs can increase, and as a result the standard weekly rate payable may be insufficient in some cases to pay for the level of care required. Since April 1997, delegated authority has been available to the Director of Social Work to agree higher individual placements rates in such exceptional circumstances, and it is intended that this flexibility should continue in 2000/2001.

6.5 Independent sector providers have increasingly been challenging the level of payments by local authorities in general, claiming that rates are too low to provide the required level of care, and that as a result local authority placements are subsidised by those paying privately.

In Dundee, discussions have begun with representatives of the independent sector to investigate the basis of these claims. It is proposed that this work continues during 2000/2001, and that a separate report is presented to Committee when this work is concluded.

7 CONSULTATION

7.1 The Director of Support Services and Director of Finance have been consulted in the preparation of this report.

8 BACKGROUND PAPERS

No background papers as defined by Section 50(d) of the Local Government (Scotland) Act 1973 (Other than any containing or exempt information) were relied on to a material extent in preparing the above report.

9 SIGNATURE

Director of Social Work

Date

PERMANENT RESIDENTIAL AND NURSING HOME PLACEMENTS**OLDER PEOPLE**

| | Number of service users supported | |
|--------------------------------------|-----------------------------------|---------------|
| | 1 April 1996 | 31 March 2000 |
| Independent sector residential units | 89 | 101 |
| Nursing homes | 171 | 363 |

ADULT CARE

| | | |
|---|----|----|
| Independent sector residential units And supported accommodation | 35 | 34 |
| Nursing homes | 25 | 41 |

RECOMMENDATIONS

- 1 It is recommended that the Social Work Committee approves rates (per week) for payment to independent sector providers in 2000/2001 as outlined below:-

| | Registered Residential Units | Registered Nursing Units |
|---|------------------------------|--------------------------|
| Older People | £225 | £336 |
| Drug/Alcohol Dependence | £237 | £336 |
| Physical Disability (under pension age) | £305 | £378 |
| Mental Handicap | £270 | £344 |
| Ensuite supplement (all units) | £10 | £10 |

These rates would be effective from 10 April 2000, and would apply regardless of in which local authority area the home is situated.

- 2 It is further recommended that authority is delegated to the Director of Social Work to approve higher individual placement rates in exceptional circumstances. These usually arise where the level of care required for an individual is higher than that normally provided, and as a result additional resources are required.