

Fair Cost of Care: Update, Support and Guidance

This slide pack contains information for local authorities
and providers

25th May 2022

Care and Health Improvement Programme



Cost of Care Toolkits and Support

Home Care Tool

- [Home Care Toolkit](#) and supporting guidance was published in February 2022 on the public LGA website
- 100s of commissioners and providers attended Tool demos and many local authorities / providers have started to use it
- Support website - www.costofcaretoolkit.co.uk contains FAQs, instruction videos, demo recordings and other support
- Helpdesk - support@costofcaretoolkit.co.uk is the email address to contact with any technical queries about the Tool.

Care Home Tool

- The Tool went live on **25th May 2022** and can now be accessed and used by local authorities and providers (see next slide)
- Support website - [Care Home Cost of Care Tool](#) is the link to register to receive regular updates and access FAQs, demo recordings, instruction videos and other support material
- All users must register to use the Tool – see next slide for step-by-step instructions
- There is an open CoC Community for people to participate in discussions and raise questions about their use of the Tool
- Helpdesk - carecubed@iese.org.uk is the email address to contact with any technical queries or feedback about the Tool.

Care Homes CoC Tool – Action required

Key Action

- **The Tool is live – local authorities should contact providers asap (if not already done so) to confirm they are using this Tool**
- Local authorities and providers should follow the guidance for steps 1-3 to be able to access and use the Tool.
- Where a local authority uses a 3rd party to support this work, they should explain to providers the 3rd party's role and use of this Tool

Step 1 – Register for the tool

- Anyone in a local authority or provider should register their interest in the Tool to receive regular updates and access the Tool
- Please follow these links to register for the Tool: [LA Registration](#) and [Provider Registration](#)
- Nearly all LAs have at least 1 person registered. There is no limit on the number of people an LA or provider can register.

Step 2 – Creating a Primary User

- Every local authority and every provider needs to identify a Primary User in order to access and use the Tool
- LA's need to use the [LA Primary User Form](#). If they have completed this step they will NOT appear in the drop-down box
- A provider's Primary User will complete Step 3. Providers choose who their PU is and In large orgs this is likely to be in Head Office

Step 3 – Creating an account

- Once local authorities and providers have a Primary User, that person will need to 'create an account'.
- Local Authority - ['How-To' video guide for registration and creating an account](#)
- Provider – ['How-To' video guide for registration and creating an account](#)

Step 4 – Accessing and using the Tool

- As the Tool is now live, users will only be able to access the Tool if their organisation has completed steps 1-3
- Anyone that has completed step 1 and registered for the Tool, will have received regular reminders of how to complete steps 2 and 3
- Providers are advised to only populate information into the Tool once they are clear that their local authorities will be using the Tool.

Summary of Support and Helpdesks

Joint Support Resources

- DHSC, CHIP and CPA working together to produce detailed FAQs and practical implementation guidance
- Other support materials will be produced and shared through the usual local government and care provider networks

Helpdesks

marketsreform@dhsc.gov.uk

- Managed by Department of Health and Social Care, for clarification about the policy, guidance or funding conditions

Marketsandcommissioning@local.gov.uk

- Managed by CHIP (jointly delivered through ADASS and LGA), predominantly for use by local authority colleagues
- For general questions about support and guidance available to local authorities or questions about this slide pack

FCC@careprovideralliance.org.uk

- Managed by Care Provider Alliance, predominantly for use by care providers colleagues
- For general questions about support and guidance available to providers

carecubed@iese.org.uk

- Managed by iESE and can be used by anyone to ask technical questions about the Care Home Tool
- Please also use this email address to provide feedback or suggestions about the Tool

support@costofcaretoolkit.co.uk

- Managed by ARCC-HR Ltd and can be used by anyone to ask technical questions about the Home Care Tool

Care Provider Support

Care Provider Alliance (CPA)

- Provider participation in the FCC exercise is critical to evidence the necessary funding from government
- This is a one-time opportunity for local authorities and providers to work in partnership to consistently and transparently evidence the cost of provision
- The DHSC has asked the CPA to support provider engagement in order to achieve this.

CPA support to drive provider engagement

- Work collaboratively with CHIP to develop guidance, FAQ and support materials for local authorities and providers
- Cascade guidance, FAQ and support materials to providers directly and via trade associations and local authority contacts / networks
- Work in partnership with local authorities to achieve required representation by increasing engagement from under-represented provider groups and to share provider concerns and solutions to mitigate
- Access providers not allied to local or national trade associations via local authority contacts
- Support local authority provider forums, meetings and workshops to assure consistency and transparency
- Offer Providers support to engage via FCC@CareProviderAlliance.org.uk

Summary of DHSC Conditions and Timescales

Condition	Details	Key Date
1. Cost of Care Table <ul style="list-style-type: none"> Submit fully completed cost of care table Separate tables are required for care home and home care 	<ul style="list-style-type: none"> Fully complete the Annex A, Section 3 Provide aggregate median cost for each cost lines, plus lines for return on operations and return on capital. 	14 th October 2022
2. Cost of Care Reports <ul style="list-style-type: none"> Complete separate Reports for care homes / home care, published on the council's website Further guidance on these reports can be found in Annex B 	These reports should explain: <ul style="list-style-type: none"> how the exercises were carried out how providers were engaged lower and upper quartile and median costs How the cost of care has been determined 	14 th October 2022
3. Market Sustainability Plan – PROVISIONAL <ul style="list-style-type: none"> Single Plan to cover care home and home care Deal separately with each service Aim for max 5 pages Template available at Annex C 	This plan will use cost of care information as key input. It has 3 key sections: <ol style="list-style-type: none"> Assess current fees and market sustainability Quantify expected market changes and future risk in next 3 years, including due to charging reforms and 18(3) Plans to address any sustainability issues identified and move to fair cost of care between 2022-2025 	14 th October 2022
4. Spend Report <ul style="list-style-type: none"> Details how funding is spent in 2022-23 Includes data return template in Annex A, Section 5 	This report should: <ul style="list-style-type: none"> Contain a full breakdown of how funding has been allocated to support 65+ care home and 18+ domiciliary care markets Specify whether, and how much funding, has been used for implementation activities (<25%) and how much funding has been allocated and committed towards fee increases (>75%) 	14 th October 2022
5. Market Sustainability Plan - FINAL <ul style="list-style-type: none"> Single Plan to cover care home and home care Deal separately with each service Reflects Provisional MSP 	<ul style="list-style-type: none"> Provisional MSP submitted in Oct 2022 forms the basis of this document In addition, this document includes decisions made as part of councils 2023/24 budget setting process 	February 2023

FAQ responses and further support

Approach to collecting information

- Councils and providers should aim to create the most comprehensive, robust and accurate picture of provider costs
- This is expected to involve a combination of baseline information (e.g. 2021/22 financial year) and evidence of current and changing costs (e.g. pay rates, utilities etc from April 2022) to inform completion of the MSP and future fee setting
- The exact approach should be agreed locally, so all parties know what information is to be provided and how it will be used

Engagement

- Councils are encouraged to communicate their approach to this exercise with all local CQC registered care homes (65+) and home care providers (18+) – this ensures all providers are aware, even if they are out of scope or don't participate
- There is no specific target for the number or proportion of providers that participate, but councils must demonstrate wide and ongoing engagement and a flexible approach to maximising provider involvement
- It is up to providers if they participate. If they don't they risk their costs not being considered in a council's MSP / fee-setting

Scope

- All care homes in a local area whose main purpose is to provide care and support for older people (65+)
- All home care providers that support adults (18+) and provide long-term, regular care and support with daily living tasks
- Rapid response, reablement and live-in provision and that in supported living and extra care settings are **out of scope**
- Many providers offer a mix of provision, with some in scope and out of scope and care homes will have a mix of residents some of whom are over 65 and some younger. Therefore, some local consideration and interpretation is required
- Councils and providers are encouraged to work together to agree an approach that creates the most robust and accurate information, best reflects the required scope and is clear, workable and efficient for all parties.

FAQ responses and further support

Council cost of care, decision-making and fee approaches – The DHSC Policy and Guidance DO

- Require councils to include in their submission to DHSC, all information submitted by providers as part of this exercise
- Require councils to use all of the grant funding (except up to 25% implementation costs) to increase fee rates, move towards a FCC and support provider sustainability

Council cost of care, decision-making and fee approaches – The Policy and Guidance DO NOT

- Require councils to pay a specific rate (e.g. median or average provider cost) or apply a specific fee rate increase
- Stipulate what proportion of the grant funding should be allocated to care homes (65+), home care and extra care provision
- Mandate what the (up to 25%) implementation funding is spent on, rather, it provides examples of activities councils may consider undertaking to improve market management capacity and meet the conditions of this exercise
- Cover all situations and circumstances – Councils and local providers should work together to agree the approach that is most effective and efficient and provides the most accurate and robust information on costs of care.

Cost of Care Exercises – Roadmap

16 Dec 2021:
**DHSC Fair Cost
of Care Policy**

24 March 2022:
**DHSC Fair Cost
of Care Guidance**

Feb 2022:
**Home Care Tool +
Guidance** – Go live

W/C 23 May 2022:

- **Care Home Tool** – Go live.
- Launch of Care Home Helpdesk carecubed@iese.org.uk
- Launch of Home Care Helpdesk support@costofcaretoolkit.co.uk

Key steps for councils:

- Understand the DHSC Guidance, Annexes and conditions
- Engage with providers to explain their planned approach and Tool/s they will use
- Complete all steps to use the Care Home Tool
- Contact CHIP with any queries at Marketsandcommissioning@local.gov.uk

14th Oct 22:
DHSC deadline

For submission of:

- Cost of care Table
- Cost of Care Report
- Spend Report
- Provisional MSP

Feb 2023
DHSC deadline
for Final MSP

Key steps for providers:

- Understand the DHSC Guidance and what this means for you (e.g. scope)
- Complete all steps required to use the Care Home Tool – if your council will use this
- Engage with your local authority, understand data requirements and start using the Tool
- Contact the CPA with any queries at FCC@CareProviderAlliance.org.uk