

B&NES Care Providers Network Forum January 2012

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Acute & Social Care

Council Finances & Inflationary Uplifts

Overview

- » Context for Social Care Providers
- » Council Finances
- » Regional cost model work
- » Agree process for fee negotiations
- » Understand different issues facing different sectors
- » Provider focus groups and feedback

Context for Social Care Providers

- » National Benchmark Data – PSS Ex1 returns
 - » Total spend in residential sector is lower than average
 - » Total spend in nursing sector is higher than average
 - » This is confirmed by current placement data and is consistent with our stated strategic aims
 - » We make fewer residential and more nursing placements than other LAs

Context for Social Care Providers

- » Total spend on traditional domiciliary care & day care (community packages) is lower than average
- » Total spend on supported living is higher than average
- » This is consistent with increase in number of people with Personal Budgets
- » Cost of Personal Budgets has risen over previous three years

Council Finances – Res/Nursing

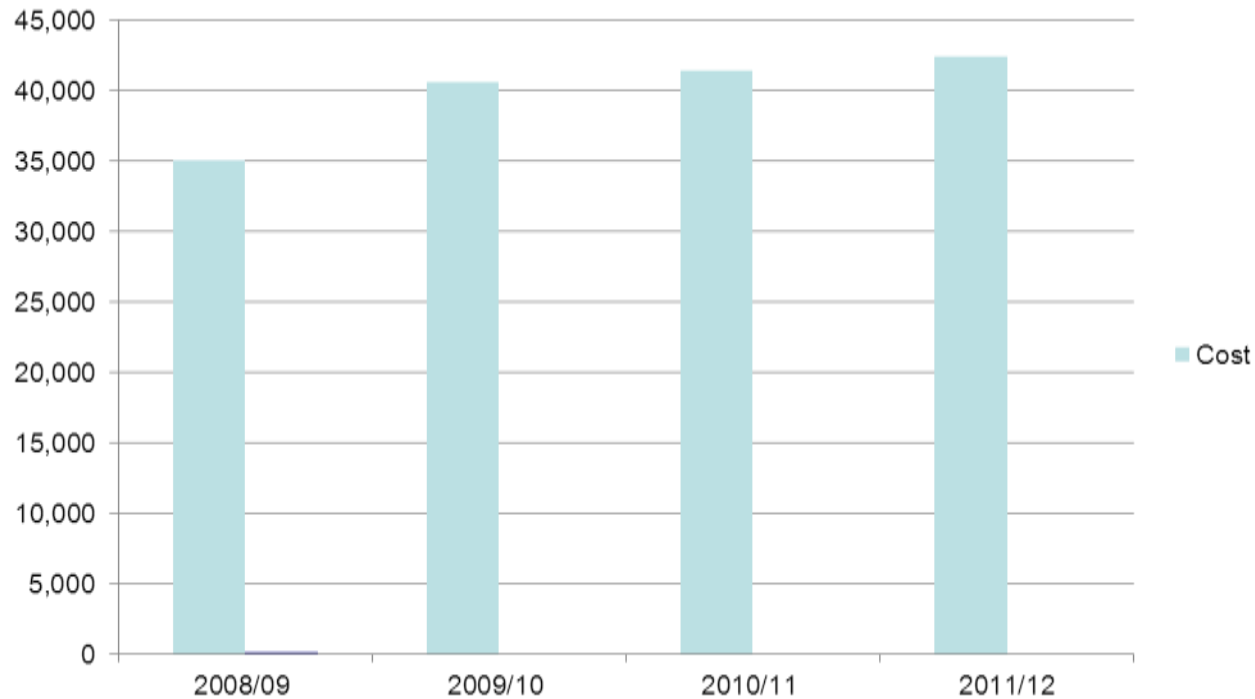
Residential, Nursing and Supported Living Placements - January 2012

	Client Group	Age	Number	Price Range	Average Price
Nursing	Phys Dis	65+	225	536-1321	556
Residential	Phys Dis	65+	173	413-738	456
Supported Living	Phys Dis	65+	0	0	0
Nursing	Mental Health	65+	118	536-900	597
Residential	Mental Health	65+	119	452-738	587
Supported Living	Mental Health	65+	2	64-352	208
Current B&NES Rates (65+)					
Nursing (Phys Dis)		536			
Residential (Phys Dis)		413			
Nursing (MH)		569			
Residential (MH)		452			
CHC		650			
Complex Dementia		750			

Council Finances

Domiciliary Care Purchasing - 2011/12						
	2011/12 rates	45 mins	30 mins	15 mins	Waking nights	Sleeping nights
Strategic Partners	16.06-17.07	12.05-12.80	8.03-8.54	4.01-4.27	98.04-153.64	73.31-87.66
Spot Providers	14.10-20		8.28-13		94.25-179.83	68.47-115
Spot providers have different rates for evenings, weekends, domestic & bank holidays						

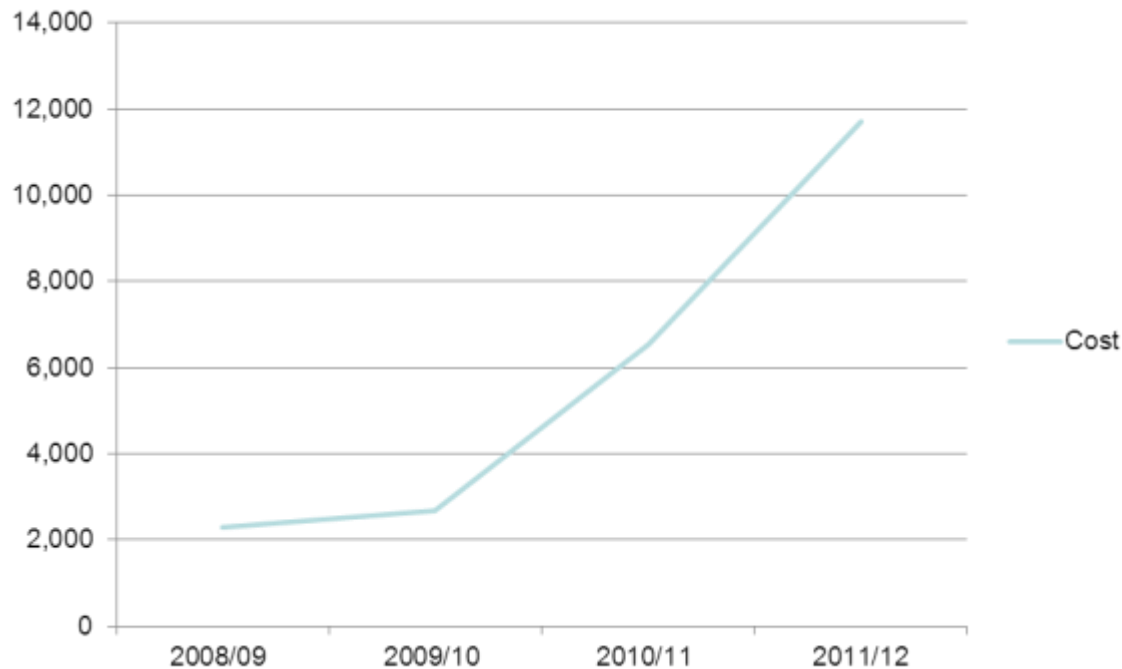
Cost of Social Care



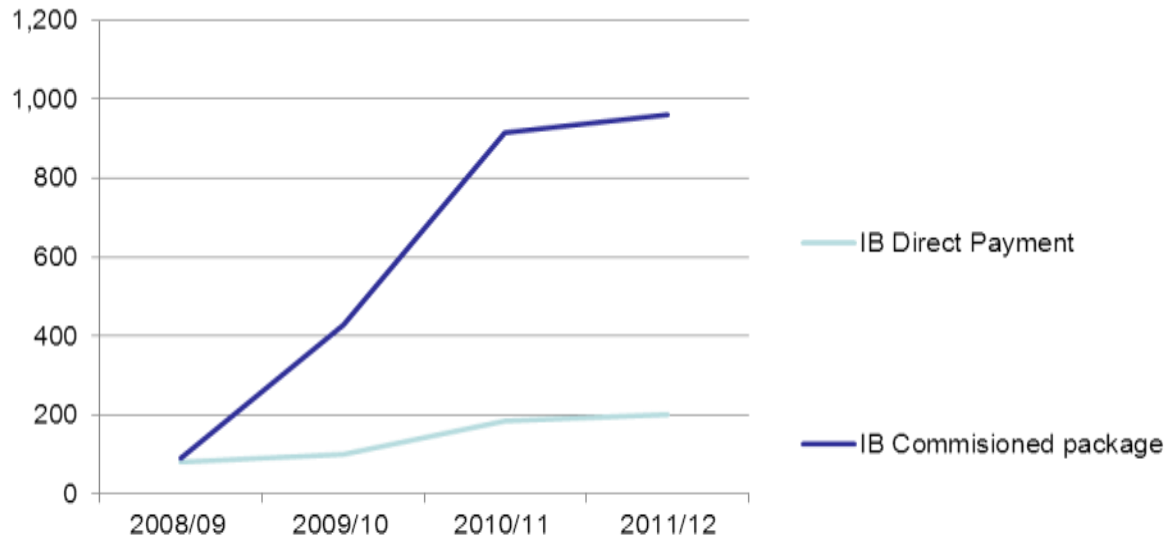
Demand on Social Care



Spend on Personal Budgets (community packages)



Demand for Personal Budgets



Summary of Context

- » Overall net growth in purchasing expenditure between 2010/11 and 2011/12 - £1m
- » Higher expenditure in residential/nursing care £450k
- » Higher expenditure in PBs - £550k

Council Finances

- » 2012/13 Financial Plan
 - » Base Budget (purchasing) set at £41,951m
 - » Growth totalling £2,618m
 - » Efficiencies totalling £2,588m
 - » **Net growth £30k**



Microsoft Excel
Worksheet

Regional Cost Model

- » Prompted by benchmarking survey
- » Need to respond to Pembrokeshire ruling
- » More strategic/targeted approach to fee setting
- » Model based on 38 care homes providing 1,225 beds (13 in B&NES)

Regional Cost Model

- » Focuses on six major cost drivers
 - » Nursing/care staff
 - » Other staff
 - » Capital costs/rent
 - » Fixtures/fittings
 - » Food/laundry
 - » Utilities/rates
 - » (Other)

Regional Cost Model

- » Use per head metrics for comparison between homes
- » 'Other' includes marketing, insurance, management, professional fees
- » Target % can be set for cost drivers e.g. set target to show lowest cost achieved by 40% of homes, 50% of homes etc
- » Can also be adjusted for occupancy, profit & impact of self-funders

Regional Cost Model

- » Can be used as a strategic planning tool i.e. to set published rates based on agreed % target for cost drivers
- » Can be used as a negotiating tool with individual providers to evidence their prices against the market

Process for Negotiations

- » Agree General Principles
 - » More inflation = greater efficiency
 - » Targeted approach vs blanket approach
 - » Clarity about process for additional needs
 - » Use of regional tool for future/individual negotiations
 - » Consideration of contractual agreements

Provider Focus

- » Do you agree with 'bespoke' approach?
- » Your three greatest cost pressures – current & future
- » Reasonable profit for your sector
- » Your proposals – and reasons why
- » Modelling
- » Ideas for efficiencies