

Appendix B

Provider Responses to the Consultation

Residential & Nursing Care Homes

Responses from North & South Sefton Care Home Group

INTENT TO COMMENCE LEGAL PROCEEDINGS

I write on behalf of the North and South Sefton Care Home Group to express our collective disappointment with the recent announcement of the intended fees increase. The passion, upset and sheer bewilderment will not have missed you on the recent Teams consultation call with Providers. I do hope the feelings and views were adequately recorded for the minutes. The in face of unprecedented financial pressures placed on the social care sector, Sefton has chosen to consider it acceptable to present the lowest fee increase in comparison to other neighbouring local authorities. You are aware of the true cost of care. Sefton fees are quite simply; inadequate to maintain safe, quality care for those it is commissioned to care for.

We have taken legal advice and formally notify of our intent to commence legal proceedings, Judicial Review (JR). We have put on notice [REDACTED] who is willing to represent us. You may recall it was [REDACTED] who successfully handled the previous JR in 2012 on behalf of the Sefton Care Association.

However, before we procedure further may I suggest:

- We hold a NSSCHG/Sefton round table private discussion to discuss the matter before committee decision. [This would be a small select group of representatives not open forum].

It is fully appreciated that we are all in financial challenging times. The pressures on Council funding are immense. We all fully understand that. I personally do not wish to go down this line but I and others feel that there is little option available to us now. I'm just a small little care Provider but I speak for all single care homes desperately attempting to make ends meet. These are frightening times and I suspect some will not survive. As a forum we feel we are not being listened to and that is probably reflected in the few number of responses to your consultation. Providers have given up and that is very sad. However, the suggestion of 9.9% is not acceptable and is not supported by the review of your neighbouring boroughs. We hope there is a final opportunity to avoid a rather unpleasant attritional battle to secure what we consider is only morally correct for the most vulnerable in our society.

Please let me know if you are willing to meet.

I'm yet to get a response regarding a face-to-face meeting that you have agreed to [I have emailed and left a voicemail with ██████]. I would hope that this was considered an important meeting for you too to resolve this impasse.

I need some urgent clarification on the conditions which have now been attached to your new proposed fees, which incidentally remains too low. I am disappointed that the Council have now attached conditions to something that they have a moral obligation to provide anyway. Please don't waste this opportunity to make progress with some last-minute idea to discretely 'coat tail' some conditions to these new fees proposal. In its current form it will not be accepted and will only serve to increase the deeply felt anger already felt by Sefton Providers with your previous 9.9% offering.

Conditions attached:

It is also proposed that the Cabinet report will highlight that fee rates will be linked to some specific conditions of change, including

- Retention of a Good CQC rating.
- Such fee rates including the full the provision of services, and therefore, which does not come with hidden costs such as top-up / additional Staffing and support costs.
- The engagement of monitoring of costs as per normal finance monitoring - to offer the Council assurance in how the provider is delivering the expected standards.
- Revised commissioning and contract arrangements – for example establishing a provider framework base – that the Council will offer to customers, and therefore the Council will not commission beds from Providers who do not meet the expected standards linked to increased fee rates.
- Providers engaging with the Council and Health Partners on initiatives such as reviews of additional 1:1 care in place for people and adherence to associated revised policy and process arrangements.
- Continuation of working with Providers, who want to engage in delivering something different – so that we can with care homes, better support prevention and more enabling styles of care, that support people home.
- To work with the council in collaboration to develop services that best support its aim, ambition underpinned by early help and prevention, so to ensure we are fit for the future, resulting a in revised 2023 specification.

Deborah, please note that members would not be in a position to accept these new conditions especially the suggestion that 3rd Party 'Top Up's would not be able to be charged. I'm sure this is not what is suggested as that could never work and would seldom be deemed acceptable to any market Provider [at all]. We would be accepting a considerable **drop in income across the sector**.

The retention of a good rating - so what happens is a provider slips into RI?

I can not see the agreement that Sefton will now collect the client contribution as per many other LA?

I would appreciate a call or email today to clarify this as I do not think this has been assembled fully aware of the unintended consequences of what this is suggesting. I have lots of members who are now more concerned than before.

This needs to be clarified before the Team calls on Monday as this will not have the outcome we all hope and will only serve to inflame an already volatile situation.

I await your email/call.

RESPONSE TO SECOND PROVIDER TEAMS FEEDBACK SESSION 24TH APRIL 2023 1200-1300 HRS

I write on behalf of the North and South Sefton Care Home Group.

I don't know where to start, words escape me for what I have just witnessed on the Provider consultation call. I emailed last week seeking clarification on the explosive points regarding 3rd Party Top Ups as a condition to your revised fee increase. I could foresee that it was a highly controversial point. Disappointingly, your directorate failed to provide that clarification beforehand, therefore failed to listen and as a result we ended up with the embarrassing pantomime we saw publicly online. I still remain bemused and possibly not sure you know yourselves what you are seeking as part of this consultation process. It appears poorly thought out and it has a feel of immature, bumbling with opportunistic discussions by those who are unfamiliar with the realities of Social Care. This is not the way to do business.

Our points:

- The new revised fee rate at 16% remains too low and does not reflect the True Cost of Care. You have already admitted this. The rate needs to reflect at least **20%+** considering other Councils are above this.
- Confirmation that the new rate (whatever it may be) is **NOT LINKED** in anyway to conditions such as Top Ups, One to One or other wording. You mentioned that there were no conditions attached and this was **our** misinterpretation of your slides. Therefore, we require urgent confirmation in writing within 24 hours to allow Providers to comment still within the limited consultation period.
- Sefton project of collection of personal contributions will be **completed** by the end of July 2023 not commence by this date as your slides suggested.
- NSSCHG will make **verbal presentation** at the committee council meeting to be held on 25th May 2023. Please inform the secretary and allow provision and issue of full relevant committee documentation papers for us to review.

Deborah, we all want an amicable resolution to this. I would hope we all want the same thing which is quality care delivered to our most vulnerable by Providers who are financially viable and sustainable for the long term market. Let us not see the catastrophic social care failures we have observed in Liverpool due to underfunding.

Finally, I hope you understand that I'm here to assist. Please make use of this valuable resource of communication and engage with me and our Group.

Provider Responses

We are writing to register our dissatisfaction with the suggested 9.9% increase in fees for 23/24.

Only today it was announced that inflation has increased to 10.4% (the average since Apr 22) whilst food inflation is 18%+ and energy inflation anywhere between 100% and 200%.

We are encouraged to pay the RLW which we happily support, but an overall fee increase of 9.9% does not allow us to do this, we strongly urge this to be reviewed as we will no longer be able to pay our staff the RLW.

We would request a meeting to discuss this further.

I'm not sure if sefton commissioning group has any idea the financial pressure care homes are under.

Ive just had my quote for commercial waste collection for the year from sefton and it has gone up by 175%.

Plus the council tax will be going up by sefton by the maximum I believe.

Just two examples.

I really don't think you have any idea what we are going through.

How can we run a business when you believe "other costs" have gone up by 10.50%.

Please advise where those figures come from as they don't reflect what is actually going on.

I personally don't feel this is a feasible profitable business anymore Moving forward as a 9.94% does not cut it.

Sefton do not listen to us at all.

Please can we have a meeting all providers are desperate.

When is the next finance meeting?

As a Care Home we are struggling financially and I'm in the process of getting an overdraft.

Its that bad. there's no money.

I think you could sense from the last Financial meeting the real concern and worry providers are in and the anger and frustration on that call..

Sefton are the lowest fee-paying LA in the surrounding area. You are £8.90 lower than the lowest. Data provided by [REDACTED]

Sefton

Residential **£616.87**

Lancs

Res Std £642.36

Res Higher £706.37

Knowsley Residential Std £625.77

Wigan

Residential Std £666.00

Residential Higher £666.00

Liverpool

Residential Std £635.35

I was shocked and stunned to see the rates for Sefton and that the £8.53 had been deducted - an absolute insult. A 9.94% increase. I'm lost for words how Sefton can justify this with the current economic crisis. It made me angry and felt how just so little Sefton Cares for the residents in Care Homes in Sefton. The government knows and realises just how underfunded Care Homes are and ringfenced money. One severely underfunded increase for the future 12 months, what business runs like that, it's madness.

Sefton has no comprehension what is going on in care Homes, you have ignored the National Survey, which was done, your own survey which Sefton commissioned ARC to do, you have ignored providers. Where does that leave us? COURT?

For the Financial sustainability of [REDACTED], I have had to increase my fees to £700.00, this is still not nearly enough, I'm running a business, which should be making a profit.

I have families in tears and residents wetting the beds worried about the increase in fees, hence the new shortfall of £83.13 to stay at [REDACTED]. I have Sefton saying they're going to re-assess 98 year olds and perhaps move them from their "home" - again how is this right. Residents have a right to choose where they live and should not be forced out of their homes.

Neil, Sefton need to review and revise this "proposed Fee Increase" and at least give us something more, the **£8.53 plus a good increase**.

I'm glad CQC will now be assessing local authorities as one big question will be "how do LA's calculate their fee setting for care Homes".

Please advise when the next meeting will be regarding Sefton's proposed fee uplift.

I hope you're well.

Further to the meeting today I would just like to clarify some points and provide feedback regarding the Fee Consolation Process.

Cost of Care - the "revised proposed increase" of 15.79% . As discussed, this is NO WHERE NEAR the cost of Care as provided in the two surveys. One which was facilitated by the Government and one which Sefton commissioned ARC to do.

The revised fee increase using the CPI rate as a method to increase the overall fee rate, does not support "move towards" Fair Cost of care. This Revised Fee increase needs URGENTLY reviewing again.

All conditions related to ANY Fee increase need to be removed, as Sefton clarified today these were "not linked" to the proposed Fee increase, although it clearly stated they were.

Client Contributions - Sefton needs to pay the gross fee, this matter needs to be expedited immediately.

I understand Deborah was going to talk to "her team" after today's meeting therefore I/we look forward to Sefton's response.

Care Homes need the help and support we deserve now, we are running a Business at the end of the day not a charity. Even Charity run Care Homes cannot operate at Sefton's rate (Council rates). Care Homes have been underfunded for years and this realisation is clearly showing now.

We need to work together; Providers have been honest and open every step of the way.

I hope that a solution is remedied soon and we can continue to run our care homes and look after our lovely residents.

[REDACTED] is the chair & spokesperson for North & South Sefton Care Group and representing the Care Homes in Sefton and therefore is liaising with Sefton and the Providers, hence I've cc'd him on this email.

[REDACTED]

I think it needs pointing out that you are not giving us a 9.94% increase as you are not taking in to consideration the actual fee is £ 569.63 not £ 561.10, so the actual rise you propose is 8.3%, so once again your fee uplift calculations are flawed, as inflation and other cost are running at 13.4% (CPI all goods index) its clearly not enough, Regards

[REDACTED]

As the residential fee for 2022/23 was increased during the year by £8.53 per week due to cost pressures please can you provide the justification for not applying the 9.94% to the current rate?

Can you also provide the explanation for not supporting a Real Living Wage for Care Workers?

as requested I would like to give you some feedback on the latest proposals as outlined in the attached presentation.

[REDACTED] **can not** sign up to the "conditions" suggested as part of this latest consultation.

1. We will continue to apply a top up fee as the latest fee proposal is still below our | weekly fee level.

Do I understand that unless we agree to this, we will be paid at a differential rate to other providers ?

If so, can you tell me how you can justify this contractually ?

2. Additional staffing and one to one costs

To apply for this level of support we have to provide information which is reviewed and the additional resource approved, subject to ongoing review.

We have not asked for this without justification.

Our experience is that we have admitted service users where care has failed or they have been discharged under the Mental Health Act.

If we do not receive this we may not be able to provide safe care for an individual and they will not be admitted to our services.

Happy to discuss further.

I am writing to express our strong opposition to the terms and conditions attached to the new fee proposal recently put forward by the council. We request clarification that the conditions attached to the original proposal will be removed wholesale. We also do not accept that the increase of just under 16% is a fair proposal as it falls far short of meeting our basic room fee and will ultimately represent a significant setback for care providers across Sefton. This proposal will eventually result in a lowering of care standards if the concerns of providers are not seriously addressed.

Our fee structure is based on ever increasing outgoing costs and a fair profit margin and, as we have already highlighted in our email to you on the 5th of December 2022, the fees set by Sefton Council do not even cover our basic costs let alone allow for any profit on a 90% occupancy rate. This has left us with no choice but to rely on private paying service users and top-up fees, which are almost never met by families, to meet the needs of our business.

This situation is completely unsustainable and could potentially result in the closure of some care homes across the borough if the required financial support is not provided. We cannot continue to operate at a loss on every Sefton placement that arrives and still provide the high-quality care that our residents deserve.

We strongly urge the council to reconsider the proposed fee increase and conditions, and to work with us to find a solution that is fair and sustainable for all parties involved. We understand that the council faces financial challenges, but we cannot bear the burden of these challenges alone.

We hope that you will take our concerns seriously and act promptly to address them. We look forward to hearing from you soon and to working together to find a solution that works for everyone.

2023/24 Sefton Fees Proposal - Provider Consultation Feedback

I have attempted on several occasions to engage in conversation with your directorate. Therefore, it appears that Sefton has failed to listen and as a result we ended up with the embarrassing pantomime we of negation we have witnessed so far. I still remain bemused and possibly not sure you know yourselves what you are seeking as part of this consultation process. It appears poorly thought out and it has a feel of immature, bumbling with opportunistic discussions by those who are unfamiliar with the realities of Social Care. This is not the way to do business.

Points of Feedback

- The new revised fee rate at 16% remains too low and does not reflect the True Cost of Care. You have already admitted this. The rate needs to reflect at least **20%+** considering other Councils are above this.
- Confirmation that the new rate (whatever it may be) is **NOT LINKED** in anyway to conditions such as Top Ups, One to One or other wording. You mentioned that there were no conditions attached and this was **our** misinterpretation of your slides. Therefore, we require urgent confirmation in writing within 24 hours to allow Providers to comment still within the limited consultation period.
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Thank you for this opportunity and please ensure that this letter is included in the Councillors papers prior to the Committee Meeting to be held on 25th May 2023.

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I write as you requested feedback on the fee proposals suggested by Sefton Council.

As I am sure you are already aware [REDACTED] is a “not for profit” charity run organisation which provides residential care for the elderly. The Trustees review and set the fee for the year, using a zero-based budget approach, as we run a very tight ship with regards to cost controls. However, we, like many homes like us, must consider what our residents need in order to ensure all standards are met, and also factor in the staffing costs to ensure the right calibre of staff are retained and recruited. We remain unable to operate without charging a third party top up, as it would not be safe for anyone involved at Peacehaven to live, work and visit in an establishment which was severely underfunded. The Trustees are not prepared to take this risk so, as in previous years, a third party top up will need to be charged for Sefton funded residents, as we will not discriminate between self-funded and local authority residents.

Comments on Sefton Proposals:

- The new revised fee offer is still not enough and will equate to [REDACTED] still having to charge a £175 per week third party top up.
- We need Sefton to collect the gross fee that **we charge and set** from the resident including any third party top up.
- Any revised fee rates will not have linked conditions other than what we already have signed for.

We appreciate the time and effort people put into the process but it really does feel like groundhog day with these consultations, as Sefton say they really want to listen and start to make a difference and work with the sector but then nothing ever changes.

We hope this does commence a better working relationship with all concerned and we do have a slight understanding of the constraints that Sefton are under, too. However, our business survival is paramount to ourselves and the residents in our care.


Kind regards

Please take this email as formal feedback and to voice our dissatisfaction with your proposed fee rate increases.

Specifically, we would like to raise the following points:

- Fundamentally, the new revised fee rate at c.16% does not reflect the 'True Cost of Care', something which you yourselves have admitted in the slide deck and further on the call. The rate needs to be set at least 20%, to go some way to cover the increases that we as providers are facing and would also bring you more in line with other local authorities.
- In the slide deck that you sent to us prior to the meeting, it was inferred that the rate increase would be linked to a number of conditions. We would like confirmation that the new rate is NOT LINKED in any way to conditions such as Top Ups, One to One or other wording. You mentioned in the call that there are no conditions attached and this was our misinterpretation of your slides. Therefore, we require urgent confirmation in writing within 24 hours to allow Providers to comment within the consultation period.
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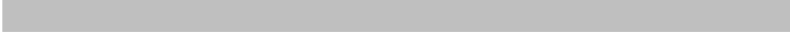


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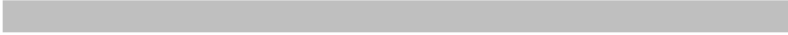


Thank you for your time earlier, my individual homes in Sefton who feel equally as strongly about the proposal will write separately but on behalf of myself and the [REDACTED], I would like to provide some formal feedback and voice our dissatisfaction with the proposed fee rate increases.

Specifically, we would like to raise the following points:

- The new revised fee rate at c. 16% does not reflect the True Cost of Care. As you know we have a full detailed breakdown of cost of care but just highlighting a few parts of that:
 - Colleagues are typically being paid real living wage as the bigger corporate providers/ non care jobs are paying more than this; so, we are having to pay real living wage. Therefore, a minimum increase of 15% rather than the 9.7% is what we are facing on our employee costs. We feel strongly that this is also the right thing to do to improve quality of care and reduce reliance on agencies.
 - As mentioned in the chat on the call, whilst I understand that CPI may be a mechanism that is used widely in the public sector, most commercial contracts including Utilities, Insurance, Food, Consumables are increasing by RPI which is 3% higher than CPI, and in fact we are seeing above RPI increases in certain lines, our insurance this year has actually gone up by over 20%; as you know Electricity and Gas will increase by at least 4 times and even if the wholesale price comes down, the changes that Ofgem have implemented to the standing charge, means that all commercial businesses will see a stark increase. I could go on, but the above information underpins why the proposed fee rate is insufficient.
- This leads us to a view that the rate needs to increase by at least 20% and even then, we are sure that gross margins will be compressed and after tax further compressed due to the increase in corporation tax this year.
- We also feel that it is important that your fees are more in line with your neighbouring authorities. The creation of the Integrated Care Board and System was 'to tackle health inequalities', how can that be the case when one authority is paying their providers much less than their neighbouring authorities?
- It was discussed at length on the call, but we strongly believe that the new rate is unconditional and should not be linked to such things as Top Ups, One to Ones or Good ratings. Albeit I am sure an innocent mistake, as a relative newcomer to this group of stakeholders, I was startled by the last minute and material change to the slides that you presented; it would have taken some of the strength of feeling out of the call had this have been spoken about at the start. Nevertheless, we do require confirmation in writing within 24 hours of the unconditional nature of the fee rate increase to allow us to provide further feedback within the consultation period window.
- And whilst we welcome the project regarding collection of personal contributions, this needs to be completed by the end of July 2023 not commenced by this date as your slides suggested. This is an administrative and financial burden on providers and again feeds the inequality that I refer to above.
- I also want to state for the record that this delay in agreeing fees also puts providers in a precarious position as most of our cost base has increased on 1st April if not before, so for all of us who have a large presence in Sefton, we will have the extra costs without the fees having been agreed and this just seems unacceptable given the climate we are all in.

I look forward to your response and a speedy and positive resolution to this so that we as a group of stakeholders, with ultimately the same goal, can start to collaborate on how we Improve the overall strategic outcomes for the Sefton area.




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We look forward to your response.



Further to the second fee consultation meeting yesterday I feel that it is important to provide you with some feedback.

As a company we cannot possibly sustain our business on the paltry amount offered and to attach conditions to this is audacious, disrespectful to our hard-working staff, and shows a complete lack of understanding of the current conditions in social care.

I fail to understand how after the previous three years of online meetings with yourselves where suggestions are made, feedback is requested and given and apparently 'relations' with Sefton MBC improved, you can arrive at a figure of 9.94% then miraculously within two weeks increase this to 15.8%. There is a lack of transparency, and it would seem a huge amount of box-ticking occurring in your organisation with little empathy to the true facts as they have been made available to you.

At your request, we engaged with all the many different forms of auditing in order to gain grants through the Covid period. We then engaged with ARCC and the FCOC, diligently responding and meeting extensively and this was the best that you could come up with?

We then had the meeting yesterday which was an embarrassment to yourselves with the extra 6% added but the most insulting conditions attached. We are then told that you have made a mistake and need to reword the slides – all this despite the letter that went out to you last week from the Sefton Care Home Group requesting clarification on the conditions.

Clearly 15.8% is still not enough compared to the FCOC and the offerings of surrounding local authorities. I understand that you are 'moving towards the FCOC' and I urge you to reconsider.

I also urge you to remove the ridiculous conditions imposed which a whole group of intelligent people apparently misunderstood.

Further to this the collection of gross payments has been a request from Sefton providers' for years and to say that you will begin to consider in July is simply not good enough. This needs to be actioned now.

As a provider I have always been willing to work with Sefton for the greater good of our marvellous staff and residents', but I have to admit I am becoming increasingly despondent and mistrustful. I urge you to restore confidence by moving quickly to rectify the current proposals.

I would like to voice my concern with regards to the proposed fee increase from Sefton Council & the manner of the meeting.

I feel as though the initial proposed increase was insulting to all care providers within the borough of 9.94% which is well below all other councils in the surrounding area.

To follow up approximately 10 days later with a revised uplift of 15.79% (which is still far short of the ongoing costs we are incurring) feels as though you have not listened to ourselves.

Then to put in conditions which you have no control of i.e. Third Party Fees, I find totally unacceptable. As mentioned in the meeting, all other boroughs do not have conditions in their fee uplift, which are all higher than Sefton's revised uplift.

As you state on your proposal, of wanting to support us in 'Moving Towards' fair cost of Care, I really can't see were this helps that. If anything this comment is an admission that you are not paying a fair cost to providers.

██████████ sent an email prior to the meeting to clarify your additional conditions with the revised offer, which was not replied to, so the meeting focused on this, the entire time. If you had responded, this might of alleviated the additional frustration we all received.

I feel as though the whole process has been a tick box exercise for the council.

It's a shame that after all the hard work over the past gruelling years, and the bridges that have been built with Sefton Council, to have it demolished with yesterday's meeting.

One Very Frustrated provider,

Response to second provider teams feedback session on 24th April 2023

Having taken part in the above consultation process, I write to present some of my thoughts on the process.

- Sefton fee rates have lagged behind the true cost of care for many years and this continues to be the case. Your revised fee rates, whilst certainly helpful and heading in the right direction, are still too low and need to be set at a rate of 20% or more to reflect realworld costs.
- The proposal of trying to prevent care homes from charging top-up fees etc. is a non-starter if you wish care homes to remain open for business in Sefton. If this was not your intention, please would you clarify as a matter of urgency and I apologise if I have mis-interpreted your intentions.
- We welcome the proposal that Sefton collects personal contributions as this would remove a tremendous burden on us as a care home, both in terms of administration and also in terms of bad debt. It would allow us to concentrate on our core business which is looking

after the elderly and vulnerable. Could I have your confirmation that this project will be completed by the end of July 2023, and not that the project will commence at that date.

I look forward to your response to the above comments.

Following our meeting yesterday, I would like to voice my total dissatisfaction, once again, with the way that Sefton has dealt with fee increases and your total disregard of the true cost of care, and I will deal with each item as follows:-

FEES

- 1 The proposed revised rate of fees - circa 16% fall a long way short of the true cost of care as shown by your own investigations carried out by ARCC last year, and based on return figures from the previous year, eg they are two years out of date now.
- 2 Therefore the increase should be for 22-23 and backdated and the new figures calculated for 23-24 on this revised figure.
- 3 You will also be aware that if ARCC did the same exercise now there would be a significant increase in the fee due to Energy costs alone (and insurance still increasing)
- 4 Food is also now showing a big increase, the full effects of which are now becoming apparent.

CONDITIONS

- 1 Sefton's revised fee offer had conditions attached to it which are totally unacceptable. All fee increases should NOT be contingent on any conditions.
- 2 There are no other local authorities attaching conditions to their fee payments, and because the fees are so low compared to the true cost of care, many homes would fail if they could not, and did not, charge a top up.
- 3 It is because of the lack of council funding at the correct level over many years (Red Quadrant was a point in fact) that homes have had to increase their full fee which means extra top up to the client.

Client Contribution and Third Party Collection

- 1 The council has a legal responsibility to collect these and should have been for many years. We have been promised that this would happen, but never has.
- 2 At the meeting it was stated that the council would start to look at this in July 2023, and that the council were trying to get the resources to do this. This is an insult to us, because we cannot use the same excuse for caring for our residents.
- 3 Homes now agree that it should be paid gross to all starting in July not just trialing the collection.

Other Submissions

1 In your fee letter you state that Sefton will move towards the "True Cost of Care". Therefore the admission is that the council know that you are under funding care.

2 I believe a lot of my resident relatives will be unhappy when they know that they are part funding their loved ones care! Not the council.

3 I believe there are some who may wish to challenge the council legally on this point.

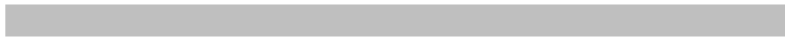
Wages - I have chosen to highlight this separately, but should be read in conjunction with Fees section.

1 Year on year the council have ignored the true wage increase, only calculating against the NMW increase. To get to an accurate figure, NI, pension contributions, holidays, and sickness etc should all be added to the real costs.

2 Many managers and senior staff have seen their income depleted and are leaving the industry because the wage increases have decreased the pay differentials, as there is insufficient money to pay them the increase they need and deserve.

3 Many of us are now paying increased rates, and are paying the real living wage. This is still not sufficient to keep people working in care as many organisations are paying well in excess of this.

This email and its submissions is just examples of the full issues we all are facing, and is not exhaustive.



Please take this email as formal feedback and to voice our dissatisfaction with your proposed fee rate increases.

Specifically, we would like to raise the following points:

- Fundamentally, the new revised fee rate at c.16% does not reflect the 'True Cost of Care', something which you yourselves have admitted in the slide deck and further on the call. The rate needs to be set at least 20%, to go some way to cover the increases that we as providers are facing and would also bring you more in line with other local authorities.
- In the slide deck that you sent to us prior to the meeting, it was inferred that the rate increase would be linked to a number of conditions. We would like confirmation that the new rate is NOT LINKED in any way to conditions such as Top Ups, One to One or other wording. You mentioned in the call that there are no conditions attached and this was our misinterpretation of your slides. Therefore, we require urgent confirmation in writing within 24 hours to allow Providers to comment within the consultation period.

- Whilst we welcome Sefton's project to collect personal contributions, we would ask that this be completed by the end of July 2023 rather than simply commenced by this date as your slides suggested.

We look forward to your response.

I've had a read through of the proposed fees for 2023/4.

In the document you say that the fair cost of care hasn't been taken into account. Even though it has been decided that it isn't to be taken into account I'd like to offer up the fair cost of care for our home in Sefton – [REDACTED]

Based on our budgeted costs, therefore taking into account the increases in the national living wage, agency reliance, increased utilities and high food costs the fair cost of care is £1,153.60 per week. As you can see there is a gap between this and your proposed payments.

As a charitable organisation we endeavour to provide high standards of care to our residents and any surplus is then pushed out into community projects that help people to live later life well, including clubs and befriending service which have a positive benefit on the mental health of our wider, older generation.

I hope that you will take this into account and look to review the proposed fees and increase them.

We are emailing you regarding the new proposed fee increase is unacceptable and far too low especially with the high increases in everything else.

Sefton's proposed fee increase just doesn't cover the ever increasing cost. And we ask as a small 25 bedded home that these increases are looked at again.

There is not many homes that can continue with high increases and no help.

Point to raise

A 16% increase in residential care fees may seem like a reasonable adjustment, but it falls short of providing the necessary resources for adequate care. The cost of staffing, healthcare supplies, and facility maintenance continue to rise year after year. Therefore, a

20% or higher increase is necessary to ensure that the facility can provide quality care to its residents. Neglecting to invest in adequate resources for residential care may result in substandard living conditions for vulnerable individuals, leading to negative health outcomes and decreased quality of life. Thus, the importance of a substantial increase cannot be undervalued.

Without proper funding, staff may be overworked and underpaid, leading to burnout and high turnover rates. This, in turn, can result in a lack of consistency in care and disruption of necessary medical treatments. Additionally, inadequate resources can limit the availability of programs and services such as therapy, social activities, and medication management.

Poor living conditions can also lead to increased rates of isolation and depression among residents, which can harm overall physical and mental health. Furthermore, inadequate funding may limit the ability to provide adequate infection control measures or to offer preventive screenings, which can increase the risk of outbreaks and exposure to illnesses.

In conclusion, investing in the residential care industry is essential to ensure quality care for individuals who rely on these facilities for their well-being. Adequate funding can contribute to an increase in staffing levels, provision of necessary medical treatments, and the availability of social activities and programs. Ultimately, investing in residential care is investing in the health and quality of life of vulnerable individuals, which should be a top priority for society.

The new rate will be unilateral and not linked to any other considerations, such as top ups.

I strongly believe that in order to ensure care providers can remain sustainable in the current climate, we must work together towards an amicable and fair resolution. As a society, we rely on care providers to take care of some of our most vulnerable citizens, and it is imperative that these providers receive the support they need to continue providing quality care. By collaborating with each other, we can create solutions that work for everyone involved, including the providers, the clients, and the government. It is my hope that we can all come to the table with open minds and a commitment to finding a resolution that is fair and equitable for all.

As a provider we are owed circa £40,000 from Sefton due to incorrect fees being paid over the last few years, we would appreciate this is dealt with as a matter of urgency as well as our points above. Being owed such a large amount and then to not receive a fair increase is massively disappointing.

As an organization dedicated to providing top-notch care to our clients, we take immense pride in our work and consider ourselves fortunate to have found a profession we are passionate about. Our clients are more than just a number, they are our inspiration, and we strive to give them the best possible care each day. We hold ourselves to the highest standards and are constantly seeking opportunities for growth and improvement to better serve our clients. However, we cannot do this alone. We rely on support from our stakeholders, such as Sefton, to ensure that our goals align with our core values and

that we can continue providing exceptional care to those who need it most. We humbly ask for fairness of fees and for Sefton's support in helping us achieve our vision.

Just to let you know as the Proprietor of the [REDACTED] I have some genuine concerns over Sefton's fee proposals for 2023-2024.

I feel that the revised rate at 16% remains too low and does not reflect the true cost of care, the rate needs to reflect at least 20% considering that other councils are above this.

The new rate should not be linked to any conditions.

The Council should collect personal contributions as per other councils.

I also feel that Sefton Council has lacked genuine consultation with Sefton Home Proprietors.

The increase in National Minimum Wage and rising costs in general have put a huge burden on a small home like the Abbendon Nursing Home.

The fee proposal reviewed rate with conditions is not accepted by [REDACTED]

Firstly, the rate proposed is below rates provided by neighbouring Local Authorities, our care home group works with Liverpool, Lancashire, Salford, [Manchester](#) and Trafford. You have not considered information provided to you via the Fair Cost of Care Exercise, you informed us this would be factored into your fee proposals going forward but this is not evident.

There is a care crisis and Sefton does not seem to appreciate this and are heading towards Care Provider Market being unsustainable resulting in home closures. The FCOC information clearly highlights the shortfall in funds that are needed to maintain safe care levels, your fee proposal simply does not meet the true cost of care. We are requested financial information repeatedly by yourselves with EMPTY promises of support.

Providers are repeating to Sefton the increased costs we face with Utilities, Insurance cover, Food, Waste Services, Furniture, [Repairs](#) and staff costs. Recruitment has been an ongoing issue that Sefton has not supported providers [with](#), many other LA are supporting Employers to be Real Living Wage Employers yet Sefton is happy to advertise they are but not willing to support providers to do the same. I recently raised the international recruit support government had introduced to you which you replied there was no such scheme, an indication of how up to date Sefton is with what is happening.

How can Nursing rate be only £18.39 higher than residential, CPI rates have been included but Sefton is not factoring in the true costs as provided in the FCOC exercise.

Sefton does not support Providers and this is clearly evident with the initially fee proposal rate, the fact that you would simply propose a rate that providers could not sustain only to magically propose a new rate, you said your initial proposal was the best you could do? Many of the providers in Sefton are small to medium businesses many of which are family run built on decades of commitment to the Healthcare Sector. Covid crippled many providers financially and many care workers left the sector what Sefton is doing now is giving the final blow to close homes in Sefton.

I hope Sefton appreciates the passion Providers have for the Care Sector and that your support is needed to work with us to care for Sefton residents for years to come.

Many thanks for extending the consultation period.

I'm here at the eleventh hour as usual due to workload and time constraints. I realise I am past the close of play, think I will get it done before midnight and hopefully still ok to include.

I would like to point out that I genuinely do recognise, appreciate and value the energy and commitment that everyone from the council puts into these meetings, I believe there is a genuine willingness here to listen. However I must be candid and air my thoughts as this is about more than just listening, what is the point if it does not affect outcomes.

This would go against the guidance and resources the government has provided to councils to focus on reforming the adult social care market to promote a collaborative journey with care providers towards paying a fair cost of care.

We are very much aware of the opportunity here and really want to all work well together.

I have set out my thoughts and feelings and hope that issues get resolved.

Deborah had asked us to send in our feedback, guess I have just downloaded some of what I say at meeting because of the consultation in question issue

I fully embrace a collaborative approach in working together to continue to provide a great caring service that is re-invested in.

I am very proud of our home, it's a happy home, the 45 Residents are supported and cared for to live full and enriched lives and I am proud of our team of the 50 staff we employ who make it all work.

I know we provide a good service to the community, we see improved lives of those that come into our care. We are a valuable and cost-effective resource but not one to be abused.

Many businesses are currently working for no return, trying to stave off losses, we are not charities, some with shareholders, working ridiculous hrs, we are fortunate to have no borrowing, some do.

Now is the time to put more funds in.

Care home owners are dealing with a lot of residual stress after their worst three stressful years and I feel I have been so very insensitive around the consultation which could be questioned as genuine.

A quote from Lancashire councillor Graham Gooch on their proposed fee review

“There are a number of costs which these businesses face which rise every year in line with inflation , which include paying staff wages, pension and other bills” .

“The proposed uplift could also help them cope with challenges such as energy bills, post covid-19 recovery , staff retention and recruitment and other additional pressures on the care sector as it experiences the cost of living crisis and recovers from its effects of the covid -19 pandemic”

They seem to be acknowledging the issues and costs in engagement ,

You state you are “committed to moving towards the fair cost of care over 3 years “, well now is the time to stage the funding more proportionately higher

I don't know what more I can do to show you it does not up ,

I have fully embraced and promoted further engagement on finances at a very difficult and busy time in the care home business, and though uncomfortable about speaking on these events and being the opposite of eloquent.

I have fully informed you throughout on the financial difficulties a typical care home like us are facing as many others have .

This has been supported by my detailed financial information and my cost of care exercise and any other information you have asked for and I have been able to complete.

I have not bothered this time in detailing figures as you simply know it all , you have all the information at your fingertips now .

You know a home managing on a purely funded rate alone could not be surviving unless it had its own wind farm .

As you are well aware the disbelief , to put it mildly that was shown at the meeting on the 5th April with your original fee proposal increase 9.94%

The ill feeling and damage that it caused , gave a feeling that we had only been part of a tick box exercise ,being duped , played, a feeling of being used by people we thought were genuinely engaging with us. I could go on but most of it was covered well by Johnathon.

I felt yet a gain a low figure is somehow plucked out of thin air and justified with some percentage attachments to appease yourselves and get a sign off .

HOWEVER WITHOUT EVER ACCEPTING THERE IS A FUNDAMENTAL FLAW , THE BASE FIGURE YOU ARE CURRENTLY USING IS WRONG IN THE FIRST INSTANCE , it doesn't really matter what you do with it after that, because we are going to be funded wrongly until you address it .

I feel many home owners had drifted away from consultation over the years as engagement just felt like a tick box exercise

I had believed this new set up with Deborah and her team and the teams set up would grow into something ,better communication, good understanding of our pressures, build up momentum with more home owners , work well with all the upcoming changes that are planned 23-26.

To come back with a refreshed figure is very much appreciated, although it is what I call the bare minimum figure, to possibly keep care homes with their heads above water .

Not much wiggle room boiler room 35k laundry 20k roofing 6k coming out of May , June , July figures last two found out this wk .

I mention these things because, honestly its where I feel the council don't get it , they are real and part of our day to day lives and have been ignored , it's the stuff we pray don't come up because it's all such a financial stretch and no way to run a business because werenot being paid the true cost of care .

The energy cost have wiped businesses like ours to the bone , we have to find an additional 95 k on top of our usual costs , covid catch up on repairs and renewals etc etc .

It's a shame I feel I have to highlighting a few areas here, as it has all been raised in actual calculations in the care exercise , costed submitted and ignored and raised verbally at meeting but just thought I'd get something down one last time.

If the council are " working toward a true cost" , which you say you are as part of your market sustainability plan why are you ignoring the elephant in the room , I notice in the new increase under an additional list , acknowledges utilities , its simply not covered, this is significant and for some vastly significant.

I urge you to make this part of your plan as some homes like ourselves have been effected 400% and 200% by gas and electricity increases.

However the council just seems ignore this devastating impact this is having .This for us equates to £45 per res per head on top of the usual cost energy costs up until the end of the year when hopefully it will half .

This is just crippling and takes up the majority of the funding. It sums a lot of the understanding up around costs in just one figure ! If nothing else I would have like to have seen some separate fee allocation here for those more severely affected .

When you pay care homes to keep their head above water ,it's not a business model . I worked on Cost of Care Exercise its a good planned model in all areas . They factor it all in. Actual staff what you should have in to make your business work.

If we can't invest in our businesses because of inadequate funding it just makes me feel YOU could end up creating the poor underinvested services YOU commission its not a great accolade in what should be a very exciting , forward thinking time in working with you to adapt to changing market needs and your future plans .

.

I realise you only have a certain amount of resources but it's nowhere near the fair cost or even working towards a fair cost

.

I read the market sustainability plan and the market position statement , it's your plan , you talk about promoting a market of services that are diverse sustainable and high quality .

Providing inadequate funding is only going to damage what you seek to achieve , given this is just a three year plan to 2025 ,where the council works towards paying the fair cost of care -- given all the hundreds millions that is being spent in social care reform ,all the work the integration in health and social care that's going on , the digital transformation ,integrated care systems, your own forward

planning strategies , your quality frameworks etc etc etc ,all the good pieces of forward , proactive work all the training , webinars seminars everyone's attending around all of this and then its DEEMED OK TO SKIMP ON CARE HOMES ,TO JUST BARELY PROP THEM UP , WITH OUT CARE HOMES AND MAINTAINING GOOD CARE STANDARDS IT ALL COLAPSES. It just doesn't make sense to me it would seem more forward thinking to address the true cost of care more favourably than has been preposed a 16% increase is just insufficient .

Administration overtime costs just keep escalating ,I am working ridiculous hrs out of necessity , I will be looking to employ another full time administrator to keep up with the ever increasing demands from us .

*For several years we have been asking for the council as other councils do to take over collecting client contribution/take over full payment THIS SHOULD BE PRIORATISED , MANY FEEL WE HAVE BEEN FOBBED OFF FOR YEARS . its simply not fair to ease your administrative burden on to us for so long .This has to be addressed ASAP.

I do realise that within your plans for social care reform a collaborative approach is needed , some of the government directives are not quite clear and probably early days and more clarity will appear on . gov . I look forward to engagement on your plans for clarification , I know within these top up payments are areas of concern . I understand the private fee payer and top up payers by 2025 will be able to seek the councils same funded fair cost rate and the difficult addressing this , open and frank conversations need to be had here I think , it just seems unmanageable . watch this space.

What I found very upsetting re the latest increase letter is the caveats attached and I am not sure if this was an attempt to address the above issue . irrespective of my random thoughts .

I found it wholly unacceptable and again as did many others, a total insult to have such conditions attached to any fee review , never mind an adjusted fee review . The letter caused so much damage amongst owners to basically give in one hand and then set conditions that would be so severely financially detrimental ,just appeared underhanded .

It didn't help that it was simply explained away as a future /working towards and apology over it be confusing – to me it reads as a condition and I spent several hrs of my time preparing for engagement around this .Our time is so precious , please can such important things not lead to make so many people so upset and waste so many peoples time .

*I can't find it acceptable for fees to be linked in this way to conditions

Thank you for your time to read , sorry its so long and a little disjointed not had chance to tidy up but I think Neil I have got all my points and concerns across .

Day Care

In response to your recent email re Sefton Council Annual Consultation on Day Care Fees. I have consulted my fellow Directors and we are pleased with the proposed increase of 9.84%. I would however like to draw your attention to the following service users who we firmly believe are not currently receiving the right level of funding or whose needs and therefore the level of support we offer are far greater than the level of funding we receive.

I have received correspondence on proposed fee increases for day care placements from April 2023 the figure being 9.84% on our existing fee this would give ourselves an increase from £54.07 per day to £59.39.

I'm writing to express our own feelings on proposed increase and try to explain why we feel this is way short of what we believe is the true cost of delivering quality day care.

We have been providing this service to Sefton now for over 13 years when we initially set up our day care centre we received £45 per day on a spot contract basis and at the time we were aware that Sefton were paying £55 per day at that time on a block contract basis with another provider.

We have received over the past 13 years just 3 increases in fees to our current level of £54.07 that's approx. 20% over 13 years were as inflation over the same period is 59% and minimum wages has increased by over 78%. If we take in the new proposed fee increase planned for April this would still increase the fee levels for ourselves over those 13 years to 32% way short of the 78% min wage increase and also falls well short of the 59% inflation cost over the same period.

If we take the same exercise over the shorter period of the last 5 years 2018 -2023 Including the new proposed increase the figures still make very depressing reading as this would be 17% increase on fees however 25% would be inflation over the same period and 33% increase on min working wage.

We feel the actual fee we should be receiving to maintain the standards we have provided over 13 years should be realistically £70 per day. If you applied normal inflation over this period it gives you a day care cost of £71.55 but if you applied wage increase costs it would be £80.10. So you can see the true disparity between these figures.

Even given a new rate of £70 per day this still could potentially save Sefton a huge amount on support service cost as when you look at the alternative to Day Care it becomes very apparent how cost effective this service is if the alternative to a breakdown of a family support network should be a full time care placement would cost over £1000 per week or home care at a cost of £20 per hour as opposed to several hours including meals and all activities in the centre at a cost to Sefton as little as £4.50 per hour.

From our experience over the years the majority of families require 3 days day care to allow them to continue providing support at home so for a cost of £210 per week you can see the potential saving to Sefton on support services. I am happy to meet up with yourself or any one in contracts and commissioning to discuss further any of my figures.

Feedback on uplift for Day Services

Further to the communication attached, applying the uplift advised of 9.84% does not meet the rates we need to charge and therefore does not meet the cost of delivering the service (Care Act 2014).

For new referrals and for when any current package changes I am proposing that we charge these new 23/24 rates with immediate effect as we cannot take referrals on the current rate and exacerbate the financial issue.

	22/23 Rate	23/24 Rate with 9.84% Uplift
Rate per Hour	£15.24	£16.74
Access Rate	£49.92	£54.83

As per my original e-mail if you would like to meet to discuss this please let me have your availability.

I look forward to hearing from you, please let me have your availability if you would like to have a Teams meeting.

Direct Payments – Personal Assistants

I write re the letter in relation to the proposed increase in Direct Payments rates from 1st April 2023, from Executive Director for Adult Social Care Deborah Butcher. I support the increase for PA's and ask if any consideration has been given to increasing the day rate funding for day centres? As far as I am aware this has remained the same for the last 10 years. These provisions are subject to the same increases in living costs as individuals and in many instances their running costs will be significantly higher. I am aware that there has been a recent consultation process into adult services across the borough and as a contributor I am awaiting the report which I now understand is being dealt with by Rebecca Bond.

I have read the information regarding the proposed increases to pay for PA's. If this goes ahead, please can you advise what needs to be done. Will the hourly rate automatically be adjusted, or do I need to fill out a form first? The current hourly rate for our PA is £9.50.

Thank you for the information you have sent today. I agree with the increase to £10-42 per hour for the interim time. After 1st April I will increase to your suggestion of £11 per hour. If any difference, please advise.

Last time there was an increase in Direct Payment rates xxx did not receive it initially - the excuse being that she is joint funded with Health.

To get the increase I had to reach out and trigger a review. This seemed to be a complete waste of resource but following it xxx did eventually receive the increase.

I am writing to ask if this time she will automatically receive the proposed increase or do I need to trigger yet another wasteful review.

[REDACTED]

so according to this can I pay my p.a £11 an hr as she's currently on £9.50?

[REDACTED]

I am wanting to know that from the new financial year that I can increase my PA's hourly rate to the new recommended rate of £11.

[REDACTED]

Thanks for your email. I am writing to say that I agree with the proposed increase in rates outlined in your letter re employing a Personal Assistant and assessed care needs from April 1st.

[REDACTED]

RE: Sefton Council Consultation on 2023/24 Direct Payment (Personal Assistant Rate)

It is encouraging that you are proposing a small increase in the PA rate. Having had no increase in the hourly rate for several years it would have been impossible to pay the 2023 increase in National Living Wage.

As CQC registered agencies are paid so much more than the PA rates they are already able to pay significantly more than I am able to pay. They can also pay incentives - joining bonus etc which I am prohibited from doing. I enclose a number of attachments to evidence this.

I understand how important agencies are in preventing bed blocking in the NHS but paying an extra £5.11 per hour to agencies is skewing the market unfairly. Can it really cost over £5 extra for agencies to organise an hours support?

The general jobs market has moved, and many employers are paying significantly above your proposed £11. NHS are recruiting Healthcare Assistants from the care workforce which places further strains on retention/recruitment.

I am currently struggling to recruit to fill two vacancies, and this is placing pressure on remaining staff. A PA rate far higher than the proposed £11 maximum is needed.

[REDACTED]

Does this mean we pay 11 per hour next payday?

Domiciliary Care

The projected amounts you are proposing are a long way off the costs that were suggested in the recent exercise completed by the local authority to help the sector recover and start to pay a reasonable wage to the care staff for the work that they undertake. Naturally to be under £20 an hour is extremely disappointing. To attract people to the industry the pay at carer rate needs to be £11 minimum in my view.

This does go some way to improve the situation but I think it is still falling short of where it needs to be.

Liverpool are introducing a model which increases the cost of the 45 minute and 30 minute calls to in effect cover the affect cover the costs of travel and mileage/overheads, will this be something you will be considering in the Sefton area?

Drivers need to be paid the maximum 45p a mile to cover the rising costs for those in the job role and having to make ends meet in the current environment.

Regards

Deborah, I look forward to the consultation commencing, I'm sure other providers will be too. Every year the consultation starts after the costs increase for providers, every year Sefton are late with this, I am curious as to why? This year especially, providers and commissioners have been talking for months in other areas. Not least with reference to the FCoC rates (I note Sefton median = £22.68 p/hr or £23.13 on basis of predominantly 30 minute calls) I am so disappointed that despite all the warning signs, waiting lists, delayed discharges, not implementing block hours, no discharge funding, no released sustainability grants (unlike everywhere else), we get a tiny increase, which would appear to be a done deal with no reference to market, FCoC or reality.

This year, rates were increased in October by way of quick top to the current rate of £18.98 (since 03/10/23) we assumed to acknowledge the inadequacy of the area low £17.89 rate both across the North West and nationally given the CoL and inflation, recruitment, retention and local waiting lists (linked without question to funding levels and sustainability). So, it is with some amazement that I see Sefton claim a 9.89% rise. It isn't - it's a 68p increase per hour, or a 3.58% uplift, the balance is at best a part correction for Sefton being a regionally very low fee level. I'm sure you know this already when you review against the rest of the North West (we work across many of the areas and wider).

So, in April our costs are increasing a minimum of 9.7% for NMW, plus related on costs, plus fuel and travel costs, plus inflationary increases on overheads. Pay rates are already way ahead of NMW as you saw from the FCoC returns, meaning the calcs are wrong from the top line (carer basic rate isn't £10.70). We are also being asked to deliver far more within the incoming tender and I am very worried how you expect your care market to do this for £19.66 (genuinely the lowest rate we are

seeing anywhere!) to fund fairly the care teams in the community, administrate a service safely and sustainably and then add in more structure and requirements under a new contract.

We are Sefton's longest standing and only boroughwide (GOOD rated) provider. We have two offices across the borough and have an unwavering commitment to delivering care and support from our local, dedicated teams. We have always worked hard to do a great job in Sefton, so many providers have come and gone, we want to continue to do this. I don't think you (Sefton) have got this right at all, I think you are fundamentally undervaluing care and the cost of care and I am at a loss as to where we go from here.

Please let us know when the consultation sessions are being scheduled as we need to discuss this in far more detail.



Further to today's Consultation Follow-up Event and the point I made about the effect of the Revised Proposals upon the volume of Domiciliary Care contracted by Sefton:

1. It follows that if the total budget for domiciliary care is fixed and the fee per unit of care is increased then the number of care hours that can be afforded will decrease. Can it be assumed that this will impact upon means-tested selection of those in need with fewer people being accommodated?
2. Under the original proposals for setting of fees for the current year Sefton was planning to commission about 6000 hours per week per area, 80% of which (4800 hpw) would be accommodated by two Tier 1 Providers. This would leave just 1200 hpw for all Tier 2 Providers in the area, which in practice is sufficient to support only 1 Provider, assuming they are totally committed to Sefton with no other sources of commissions. With less total of care hours and assuming that all the additional increase is passed on to Carers in their wages the viability of Tier 2 Providers will be jeopardised further.

The overall effect is likely to be counter to Sefton's declared aim of increasing diversity of Providers and to encourage a tendency towards a monopoly situation which will be in nobody's interests other than that of the big Providers. Service-users collectively have the most to lose.

I am writing again to add to the points I made yesterday.

The proposed additional increase the rate of fees, when passed on to our Carers in their wages, will help with staff recruitment and retention in the year ahead and we anticipate being able to make a better contribution to Domiciliary Care Services in Sefton than would have been the the case otherwise. It is a good decision which is extremely welcome.

The concern I was trying to express at the meeting, and in my email, relates to the proposed operational policy for the distribution of funding between Tier 1 and Tier 2 Providers. We believe that concentrating the majority of packages within a very small number of 'big' Providers is not in the best interests of the service as a whole. It will endow these Providers with disproportionate power and influence while impacting adversely upon the sustainability of Tier 2 Providers with | negative impact upon diversity and choice.

██████████ did not bid for a Tier 1 contract in the present round for the principal reason is that we are unwilling to accept pressure to take on additional care packages without being certain of having sufficient staff, training and experience to do so without risk of compromise to our own high standards of service. This is a judgement that we insist must be made internally by our Registered Care Manager, without the threat of penalties being imposed if we fail to meet contracted arbitrary targets. Despite the proposed revision of fees recruitment and retention is likely to remain problematical and the extra pressure of this sort placed upon already hard-pressed staff can be expected only to make matters worse.

A single category of registered Providers with the equal status and privileges would, we believe, offer a more secure and equitable domiciliary care service in Sefton. However, we appreciate that Sefton is committed to the two Tier system and will work with it to the best of our abilities but we request that further consideration is given to the distribution of packages and associated fees between Providers in light of the points we have made.

Extra Care

Hi , I would like to raise the following issues as feedback on the fee proposals for 2023-24.

Carer pay rates - £ 10.56 is used in the fee calculations as the current National Living wage rate.

The ability to attract people to work in adult social care is more than offering this hourly pay rate but this doesn't help.█

██████████ a Real Living Wage employer and has reduced turnover and improved retention by offering the RLW rate of pay, flexible contracts, training and development and the opportunity to increase pay. The RLW rate for 2023-24 is £10.90 ,only 34 pence more than the NLW.

It would be good to see this as a standard expected of providers.

Workforce development – It is disappointing to hear the latest news about the reduced investment in adult social care. However , there are steps that Sefton can take to ensure that the workforce is valued and I would be interested to hear plans

about how the Market Sustainability and Improvement Fund will be used , particularly in relation to workforce capacity and retention.

Section 4 of your Market Sustainability Plan includes principles and standards expected of providers . There is no detail on how this will be supported by commissioners , nor how providers can contribute to this discussion.

Day services – I am unable to comment on the proposed fee level for day services as I do not know what the service specification is.

The time scale for comments on fee proposals closes before the specification is released.

It would be helpful to review this to enable meaningful comments to be made.

Supported Living

27th March 2023

Dear Sir/Madam

Thank you for your letter sent to us via email on the 20th March 2023, with regard to the FY23/24 fee uplift with effect from 1st April 2023, for adult supported living placements with [REDACTED]

Whilst we acknowledge your 9.84% inflationary fee uplift offer, and will update our billing accordingly from the effective date, we would like to continue to work with you to review the 1:1 hourly rate. (Please note this does not constitute acceptance of the hourly rate at this stage).

When comparing the hourly rate with Local Authorities within the Region, the hourly fee that has been proposed is low in comparison and we would appreciate the opportunity to work with you to review the fee to align packages to a viable and sustainable level.

Over the last few years, the Care Sector industry has had to endure unprecedented challenges in the employment market, with inflation increases and other cost pressures. This has resulted in fees falling behind.

Whilst we have been able to absorb some of these additional costs, the scale of increases means that fee levels need to be addressed. By far the largest cost is staffing costs, most notably linked to increases to the Real Living Wage and National Living Wage, which directly and indirectly affect all levels of staff in our services.

We are committed to paying our staff a wage that ensures we can compete with other industries and provide development opportunities, to retain the highest calibre of staff, for the benefit of our services and placements.

Quality comes first and foremost at [REDACTED], and as such it is essential, we receive appropriate fees to ensure we can address staffing, and ensure the environment is of the highest standard of care and safety to all placements

Please can you therefore, re-consider your position on the proposed hourly rate.

Kindest Regards

[REDACTED]

Hi , I would like to raise the following issues as feedback on the fee proposals for 2023-24.

Carer pay rates - £ 10.56 is used in the fee calculations as the current National Living wage rate.

The ability to attract people to work in adult social care is more than offering this hourly pay rate but this doesn't help.

[Provider Name] a Real Living Wage employer and has reduced turnover and improved retention by offering the RLW rate of pay, flexible contracts, training and development and the opportunity to increase pay. The RLW rate for 2023-24 is £10.90 ,only 34 pence more than the NLW.

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Day services – I am unable to comment on the proposed fee level for day services as I do not know what the service specification is.

The time scale for comments on fee proposals closes before the specification is released.

It would be helpful to review this to enable meaningful comments to be made.

Firstly, it is extremely disappointing that (due to Sefton MBC mistake) [REDACTED] were not given the opportunity to attend the provider consultation meeting held in March, and that a requested follow-up meeting has been declined. We therefore provide a written response to your single written communication received by us and dated 20th March 2023. This is not our preferred method of engagement with the Council on such important matters, and in the spirit of improving communications moving forward, I would welcome a discussion on how engagement can be improved between Sefton MBC and [REDACTED]

[REDACTED] Response to 2023/24 Provider Rate Notification

In 2021 and 2022, [REDACTED] wrote to urge Sefton MBC to increase its provider fees to afford Real Living Wage (RLW) pay for Sefton Support Workers. As a large, not for profit, charitable provider we have maintained an ambition to be a Real Living Wage (RLW) provider for some time, recognising the critical work our front line support staff undertake, along with those more widely in the Social Care Sector.

In April 2022, our Board brought forward our RLW ambition and made an investment of £179K in Sefton services to pay Sefton Support Workers the RLW. This was despite Sefton only paying provider fees at National Living Wage (NLW) level, which were insufficient to retain our workforce during a period of significant staffing shortages and a cost of living crisis. Our Board had to make the unenviable decision to subsidise Sefton services in order to protect the quality and continuity of services for the people we support in Sefton.

Sadly, we have been left disappointed and deflated with your proposed uplift of 9.84% to £18.41 and the continued provision of a NLW rate. We strongly believe that Sefton Council's proposed fee and payment at NLW level risks the stability of the provider market due to the inability of providers to attract and retain a quality workforce. This goes against the statutory duties under Section 5 of the Care Act 2014 regarding appropriate shaping and sustainability of a viable provider market.

The social care labour market has changed significantly over the last 18 months and the market is now operating and paying at a RLW level. We firmly believe that the appropriate fee required to sustain the market by paying RLW is £19.88 [REDACTED] *cost model, validated by CIPFA C. Co*). Further, we are encouraged (and take evidence from) the fact that many other Local Authorities in the Liverpool City Region (as well as Cheshire, GM and Lancs) ALL pay a RLW rate well in excess of £19 per hour. We have also validated our understanding with CQC Market Oversight.

Sefton MBC's rate of £18.41 is the lowest (by far) of all Liverpool City Region (LCR) provider rates. Sefton is also the only Council paying a NLW rate in 2023/24 with all other LCR Councils now offering providers a RLW rate. RLW. Payment of NLW rates to providers is not only a risk and an outlier in LCR, but it is also against the principles of the Liverpool City Region Fair Employment Charter scheme which Sefton are a part of.

Finally, and most importantly to our organisation, Sefton MBC's proposed rate of £18.41 will again mean that [REDACTED] is required to subsidise Sefton services by a further investment of £258K (£79k more than what we have invested in 22/23) in Sefton Support Worker pay. Such investments are not sustainable in the medium to long term and charities should not be subsidising the viability and quality of Local Authority services.

Our Request

We kindly, but firmly, ask that Sefton MBC reconsider your proposed NLW fee and increase your rate in order to pay providers a RLW rate. An RLW rate would mean Sefton MBC would be in line with all other LCR Authorities. It would also mean Sefton would meet its duties of sustaining a viable provider market, and importantly allow providers to pass on RLW to its dedicated and hard-working front-line staff who are currently the lowest paid in the sector.

I look forward to hearing from you.

Yours sincerely

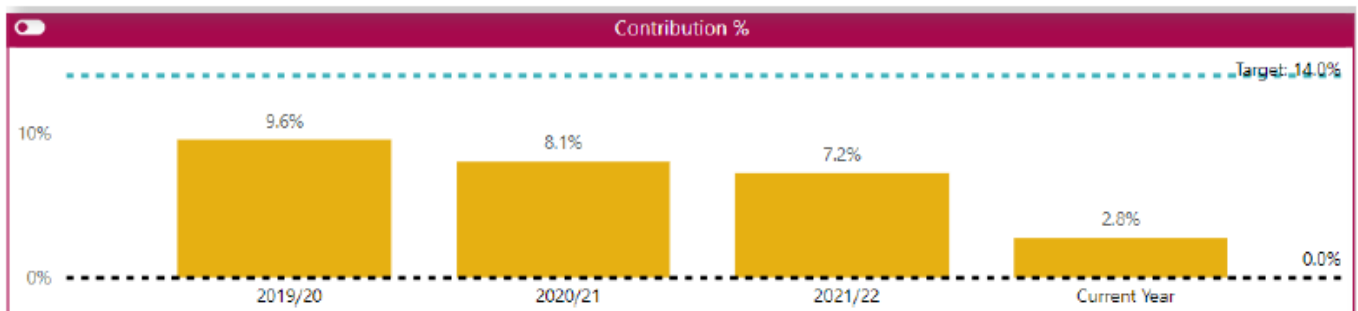
[REDACTED]

Dear Sefton Adult Commissioning Team,

RE: Sefton Council Annual Consultation on Supported Living Fees

Thank you for the offered uplift of 9.84%. As requested, I am writing to you in response to the consultation on fee uplift proposals for the new financial year 2023/24.

Historically, [REDACTED]'s Sefton services have performed poorly from a financial perspective, largely due to the low hourly rate. As the table below demonstrates, for the past 4 years these services have performed below the 14% target we work towards to maintain good financial health as an organisation, and the financial position of these services has worsened each year.



It is worth noting that there are currently no housemate vacancies (voids) with a financial impact in Sefton.

While the sleep-in fees are acceptable, the proposed day and wake night hourly rates are below what is needed to secure the financial stability of these services as shown below.

To attract, retain and demonstrate how much we value high quality support workers, we aspire to pay people as close as possible to the Real Living Wage (RLW). For the 2023/24 year we are not able to achieve this but have set support worker pay at a minimum of £10.63, 2% above the National Living Wage.

Where a local authority wants, and funds its providers to be RLW employers, [REDACTED] is happy to be able to pass that on. The table below shows the shortfall between Sefton's offer, the required rate to pay £10.63 and the funding gap to RLW.

	[REDACTED] rate	Proposed rate	Shortfall	RLW price	Shortfall to RLW
Carer basic rate	£10.63	£10.56	-£0.07	£10.90	-£0.34
Management	£1.65	£0.74	-£0.91	£1.65	-£0.91
Administration	£0.44	£0.54	£0.10	£0.44	£0.10
Annual leave	£1.64	£1.46	-£0.18	£1.69	-£0.23
Training	£0.45	£0.34	-£0.11	£0.46	-£0.12
Sickness	£0.37	£0.26	-£0.11	£0.38	-£0.12
NI	£0.89	£0.77	-£0.12	£0.93	-£0.16
Pension	£0.32	£0.41	£0.09	£0.33	£0.08
Other costs	£2.20	£2.80	£0.60	£2.25	£0.55
Profit	£0.58	£0.54	-£0.04	£0.59	-£0.05
	£19.18	£18.42	-£0.76	£19.62	-£1.20
Total annual hours			63,270		63,270
Total annual funding shortfall			-£47,976		-£75,998

We periodically review management spans and believe the current levels are as efficient as possible while maintaining the support and oversight necessary to ensure we deliver high quality, people centred services which are a great place both for the people we support to live and the people we employ to work.

As an organisation, we are reviewing financially unsustainable services and may need to hand back services where sufficient uplifts are not provided and after all options have been exhausted to save on costs. I am concerned that our Sefton services may require this level of scrutiny and attention should we receive anything less than £19.18 p/h. Any support you can offer in supporting us to overcome these challenges would be greatly appreciated and welcome.

Yours Sincerely,

[REDACTED]

[REDACTED] feedback to Sefton's Proposed Uplift for Supported Living

It is really disappointing that the proposed new rate from Sefton is considerably lower than that of the other local authorities with whom we work and that the essential work carried out by a support worker is only being valued at £10.56 per hour, 34p below the current Real Living Wage, especially given Sefton's vision for Adult Social Care.

Like many other adult social care providers [REDACTED] has found it increasingly difficult to recruit support staff, largely due to the fact that supermarkets and fast food chains offer significantly higher starting hourly rates, with which we are not able to compete. Until December 2021 we had never used agency staff; since that date, because of constant staff shortages, we have had to spend a huge amount of money on agency staff to ensure that services are not understaffed and are safe. We have also sponsored workers from overseas; this is costly for organisations, both financially and resource wise. If the proposed uplift of only 9.84% goes ahead then the struggle to recruit support staff will only get harder; in addition to that will be the issue of care agencies charging hourly rates that could be in excess of the hourly rate that we receive. This is not sustainable for [REDACTED] and the likelihood is that smaller providers, of which [REDACTED] is one, will, in time, no longer be able to operate in the market, which would result in fewer providers and therefore less choice for those individuals in need of support. It is hard to understand how this fits in with the duty placed on LA's by the Care Act to provide a wider range of high quality, appropriate services that will give people more control and help them to make more personalised, effective choices about the care that they receive. Red Quadrant were commissioned by Sefton in March 2017 to carry out an independent review of the price they paid for care in local supported living in order to improve their understanding of local costs and inform future decisions regarding fees. I fully appreciate and sympathise with the financial constraints that LA's are under; however, it is extremely disappointing that some 6 years after Red Quadrant's review Sefton's hourly rate continues to be significantly below that of their comparators. [REDACTED] works with a number of other LA's,

including Liverpool, Wirral, Bolton, Knowsley, Conwy and Denbighshire and the rate proposed by Sefton is at best 60p per hour less than its comparators.

On behalf of [REDACTED] trustees and myself I urge Sefton to reconsider its proposed fees for supported living so that it is more in line with that of the other providers within the LCR framework. This will help to ensure a sustainable and diverse market in the borough and allow providers to work towards paying the RLW as opposed to a rate significantly below that.