

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

1936

Author:

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Department:

Children and Families

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Subject:

Inflationary Increases for Adult Social Care Services (Non Residential and Nursing) 2015/16

Total Value:

£0.439m (Type: Revenue)

Decision Being Taken:

To agree the following inflationary increases to the below Adult Social Care Services:

Homecare: 1.6%; Care, Support and Enablement: 1.6%; Daycare: 1.6%; Extra Care: 1.6%

Direct Payment Support Services: Providers to set their own increases up to a maximum of RPI as stipulated in the contract; Adult Placements Scheme: 1.6%; Direct Payments (PAs): 1.6%.

Please note Residential/Nursing Care are reported separately for approval through delegated authority by the Strategic Director for Early Intervention, as agreed by the EBCSC in April 2014.

Reasons for the Decision(s)

Contracts for Adult Social Care Services make provision for the consideration of inflationary increases on an annual basis. Prior to 2014 inflationary increases for these services were not considered through a formal process. During December 2014 and January 2015, the Procurement Team and Strategic Finance developed proposals for inflationary increases for 2015/16 based on consideration of a number of factors including: procurement position and contractual terms for each category, knowledge of provider markets and financial modelling with reference to the allocated budget for Adult Social Care services for 2015/16. The process followed ensures a fair and consistent approach across all services. Proposals were reported at Portfolio Holder briefing on 4th February 2015 and were agreed for consultation with providers. A consultation process on the proposed inflationary increases was undertaken with all Adult Social Care providers during February. The consultation responses were collated and considered to inform the final recommendations. Appendix 1 presents the outcomes of the consultation with providers of non residential and nursing care services. The risks identified through the consultation have been considered in conjunction with wider knowledge of the market and the Early Intervention Market Development Team will identify areas where support could be offered to the market.

The proposed inflationary awards for 2015/16 are intended to mitigate the risk of legal challenge by providers and ensure stable and quality service provision. Failure to implement these proposals would present risks of:

- legal challenge by Providers**
- a deterioration in the quality of care and risk of safeguarding issues if providers are unable to sustain investment in the delivery of services**
- a significant risk to the local provider market and potential reduction in availability as a result of services not being financially viable. This would present risks to vulnerable citizens if providers decided not to accept new local authority funded placements or to withdraw services.**

Briefing notes documents:

Appendix 1.doc

Other Options Considered:

Do nothing. This option was rejected as the Council is contractually bound to consider inflation on an annual basis. Doing nothing would have placed the Council at risk of legal challenge.

Offer a different level of inflationary increase. The inflationary increases proposed arise from a robust process undertaken by Procurement and Strategic Finance, taking into account contractual obligations, knowledge of markets and financial modelling aligned with the overall budget process. The proposals were subject to consultation with providers which did not highlight any unmanageable risks to services or the market. Offering a higher increase would place pressure on the Adult Social Care budget and is not a feasible option. Offering lower increases would present risks to the delivery of quality services and the sustainability of the local provider market.

Background Papers:

None

Published Works:	None
Affected Wards:	Citywide
Colleague / Councillor Interests:	
Consultations:	<p>Date: 09/02/2015</p> <p>Other:All Affected Providers</p> <p>All providers of Adult Social Care were consulted regarding the proposed increase for their service. The consultation gave the opportunity to highlight risks and mitigating factors. Summary results of the consultation are attached. Please see appendix 1 for further details of outcomes.</p> <p>Those not consulted are not directly affected by the decision.</p>
Crime and Disorder Implications:	There are no crime and disorder implications arising from this proposal.
Equality:	Please login to the system to view the EIA document: EIA ASC inflationaryincreases 15-16.doc
Social Value Considerations:	Not applicable.
Decision Type:	Portfolio Holder
Subject to Call In:	Yes
Call In Expiry date:	20/04/2015
Advice Sought:	Legal, Finance, Procurement, Equality and Diversity
Legal Advice:	This report raises no significant legal issues. The report author has confirmed that the provisions of the contract price review mechanism have been complied with. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 18/03/2015.

Finance Advice:

The value of this decision is £0.439m. This cost will be contained within revenue budgets within the medium term financial plan proposed by the Executive Board in February 2015 and agreed by full Council in March 2015.

Advice provided by Ian Greatorex (Finance Business Partner) on 17/03/2015.

Procurement Advice:

The recommendations for inflationary increases have been developed by the Procurement Team and Strategic Finance through a fair and consistent process including consideration of the unique contractual terms and market position for each service and with reference to the allocated budget for Adult Social Care services for 2015/16. There are no other procurement implications and the recommendations are supported from a procurement perspective. Advice provided by Jo Pettifor (Strategic Procurement Manager) on 16/03/2015.

Equality and Diversity Advice:

The EIA accurately reflects the potential impacts on stakeholders. Specific care needs to be made in respect of citizens who are particularly vulnerable (disabled / older people) and may find themselves in a more difficult situation if faced with a price sensitive choice as regards care.

It is important that the recommendations for alleviating pressures on all stakeholders is actioned and monitored where appropriate and that remedial action is taken.

Advice provided by Adisa Djan (Equalities and Diversity Consultant) on 17/03/2015.

Signatures

Alex Norris (PH Adults, Commissioning and Health)

SIGNED and Dated: 13/04/2015

Alison Michalska (Corporate Director for Children and Adults)

SIGNED and Dated: 27/03/2015