
Report To: Health & Social Care Committee **Date:** 30 April 2009

Report By: Ian Fraser
Corporate Director Education and Social Care **Report No:**
SW/15/09/MM/BK

Contact Officer: Colin Struthers
Head of Support and Development **Contact No:** 01475 714015

Subject: Older Peoples Care Homes – Payment for Quality

1.0 PURPOSE

- 1.1 This report is to inform Committee of the Care Homes for Older People 'Payment for Quality' agenda and the funding / monitoring implications for 2009/11.

2.0 SUMMARY

- 2.1 COSLA has negotiated that the fee base rate linked to the national contract for older peoples care homes will be increased by 2.8% for 2009/10 and by 2.7% in 2010/11 offering short term stability to the sector. The increase to the specified 'quality payment' element is linked to staff training targets and Care Commission Quality Assessment Framework (QAF) outcomes.
- 2.2 The specific £6 million time limited allocation to Local Authorities for 'quality' has been combined into a single 'Total Quality Payment' as detailed in 5.4 of this report.

3.0 RECOMMENDATION

- 3.1 Members are asked to note the outcome of the national care home fee negotiation.

4.0 BACKGROUND

- 4.1 The Committee was advised on 28 April 2008 of the Care Home 'Payment for Quality' agenda and the funding / monitoring implications. This report updates Committee on the two year deal negotiated by Local Authorities, Care Home Providers and COSLA for the years 2009/11 and outlines the technical detail underpinning the conditions.

The Payment for Quality agenda relates specifically to Care Homes for Older People.

- 4.2 The 'quality award' for 08/09 (£18.62pw) linked to an increased staff training requirement (55% qualified + 10% under training) to be met by March 2009, and an additional requirement for all supervisory staff to register with the Scottish Social Services Council by September 2008.
- 4.3 The 'additional quality payment' for 08/09 (£6.81pw for nursing care, and £1.76 pw for residential care) is linked to care homes committing to meet a number of requirements that impact on the 'service user experience' (programme of dementia awareness training; nutrition policy in place; promotion of awareness of independent advocacy services; demonstrate learning and improvements arising from complaints, negotiations/discussions with Local Authority to remove funding if low Care Commission grading).
- 4.4 £6 million has been incorporated in the settlement on a time limited basis for three years to fund the additional quality payment..
- 4.5 Care homes that failed to meet the targets could have part or the entire quality award withdrawn.
- 4.6 7% (1) care home has an element of the quality award currently removed due to low Care Commission gradings on two inspections.
- 4.7 There are no national figures available at present detailing how many care homes met the staff training targets and supervisory staff registration target for 08.09.
- 4.8 Inverclyde Social Work Services Contract Monitoring and Complaints Team will be carrying out further staff training audits of all care homes in 31 December 2009, 31 December 2010 and 3 April 2011.

5.0 PROPOSALS

- 5.1 The 2009/11 national care home contract requires that care homes continue to meet the 08/09 quality requirements as a pre-condition for receiving the 09/11 payments. Care homes will have to evidence compliance with the criteria as a pre-requisite for receiving the 2009/2010 'Total Quality Payment'. Providers will sign a 'Total Quality Payment 2009/2011 Pre-Conditions' document committing the care home to complying with a range of pre-conditions. They will also sign a 'Total Quality Payment 2009/2011 Conditions' document committing the care home to comply with or work towards a number of stated aims.
- 5.2 In order to consolidate the 08/09 quality elements into the 07/08 contract, and to extend the 07/08 contract to the end of the 09/10 period the current national contract will be extended to the end of the 09/10 period through a 'letter of variation' that all care homes subject to the national contract will require to agree to. A new national contract will be developed for introduction in 2010.
- 5.3 The 2009/10 care home fee level incorporates a 2.8% inflationary increase to the base fee and the 'quality award', with a demographically adjusted share of the £6 million. The 'Total Quality Payment' element of the full fee which relates to the 09/10 quality

requirements is £25.73 pw (Nursing) and £20.85 pw (Residential).

- 5.4 The element of overall uplift funded directly by a local authority in 10/11 will be the 09/10 base fee with 2.7% inflation applied. Based on maintaining the 09/10 demographic split of the £6 million, the 'Total Quality Payment' element of the full fee which will relate to the 10/11 quality requirements will be £26.25 pw (Nursing) and £21.37 pw (Residential).
- 5.5 The 'total quality award' for 09/10 is linked to staff training requirement (55% qualified (SVQ2) + 10% under training) that has to be met by 31 December 2009,

The 10/11 staff training requirement is linked to 60% of care staff with SVQ2 to be met by 31 December 2010.

The final requirement linked to staff training is 65% staff qualified with SVQ2 by April 2011.

The 'Total Quality Payment' will be removed if there is a final QAF grade of 2 or less in the 'Quality of Care and Support' themed area (where a QAF inspection has taken place).

- 5.6 Care homes that fail to meet the targets may have part or all of the quality award withdrawn (50% for staff training; 50% removed if the Care Commission QAF grade of 2 or less in the Quality Of Care and Support element. Funding will be removed for 6 months or to the next audit point or Care Commission inspection.
- 5.7 The national care home fee agreement comprises three main rates each for nursing and residential care, with variations for shared rooms. This gives the following rates:-

Nursing Care for Older People 2009-2010 (Weekly Rates)

- 1) National Contract rate + 'Total Quality Payment'
£540.10

Dual shared room with National Contract rate + 'Total Quality Payment'
£515.10
- 2) National Contract rate + 50% of 'Total Quality Payment'
(Staff training element removed)
£527.24

Dual Shared room with National Contract rate + 50% of
'Total Quality Payment' (*Staff training element removed*)
£502.24
- 3) Below the National Contract fee level (default rate)
Discussions ongoing at Cosla – To be Confirmed

Residential Care for Older People 2009-10 (Weekly Rates)

- 1) National Contract rate + 'Total Quality Payment'
£464.86

Dual shared room with National Contract rate + 'Total Quality Payment'
£439.86
- 2) National Contract rate + 50% of 'total quality payment'
(*Staff training element removed*)
£454.44

Dual Shared room with National Contract rate + 50% of
'Total Quality Payment' (*Staff training element removed*)
£429.44

- 3) Below the National Contract fee level (default rate)
Discussions ongoing at Cosla – To be Confirmed

Residential and Nursing 2010 – 2011

The rates for 2010 – 2011 will be advised by COSLA in 2010 following confirmation of the DWP increase implemented at that time.

6.0 IMPLICATIONS

6.1 Legal:

Other than the need to oversee the 'letter of variation' process (5.2) there are no legal implications.

Finance:

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
00066	Payment to other bodies	2009/10	£192,000	n/a	2.8% uplift

The additional costs for this payment for quality are within the weekly rates given above and will be contained within the Social Work Revenue Budget 2009/11.

Personnel:

There are no personnel implications from the settlement.

Equalities:

Equalities, Diversity and Human Rights objectives are embedded within all processes relating to the Contract Management Framework and includes the Payment for Quality Policy for Older Peoples Care Homes.

7.0 CONSULTATION

- 7.1 There are no consultations required as part of the settlement.