

COMMUNICATION TO THE MARKET

Market Update – Increase in ASC Provider Rates 2024/2025

Dear Providers

In accordance with Walsall Council Adult Social Care's new three-year strategic approach to pricing and market development, Walsall Council has agreed to proceed with the approach set out below for uplifts in 24/25 and following years.

The approach is based on analysis of all Framework rates (rate cards), consideration of the current real rates paid and the impact of changes to the National Minimum Wage (NMW) and Consumer Price Index (CPI) increases for providers.

For community-based services, the uplifts are consistent across the sector because there was more consistency in current rates paid, however we will still want to form a 3 year plan around fees and quality with community providers.

The main impact on uplifts will be across residential and nursing care provision due to the significant variation in rates currently being paid.

Bed-based providers will be awarded differential uplifts, based on what rates providers are currently paid. The intention over the next 3 years is to move towards a more consistent, and equitable approach to pricing and rates paid for bed-based provision and reduce the level of variation.

Uplift Context

The 2024/25 uplift is intended to be Year 1 of a 3-year plan for engaging providers around fees, market sustainability and quality. Subsequent uplifts for 25/26 and 26/27 will look to further address the variation in fee levels and work towards an agreed cost of care model.

Quality will also be built into fee uplift approaches for 25/26. The enhancement of the Council's current brokerage model will support market management and our commissioning intention to primarily place care packages with 'Good' quality CQC rated and local QA assessed providers.

Having established what the average fee levels were and applied cost pressures for 24/25, the cost of moving all providers to that level was unaffordable and inequitable. Recognising that we need to move fee levels to this level to ensure market sustainability and have better equity and transparency around fee levels, we are suggesting a 3 year plan to align providers to an agreed cost of care model.

Community based support has less variation, so all providers will receive the revised fees as set out in the table below.

For bed-based providers, the uplift methodology this year will take the following approach:

- Establish a cost of care model for Walsall and establish a % uplift that reflects the market pressures for 24/25.
- Uplift the current contractual rates by this % uplift as set out in the table included below.
- For those providers on the contractual rate apply the full uplift
- For providers not using the contractual rate apply a percentage uplift, but this will be capped to not exceed the 23/24 average rates, adjusted to 24/25 levels.

- For those providers at or above the adjusted 23/24 average rate there will be an uplift agreed up to 3.5%. Meetings will be scheduled to discuss the impact and what uplift will be applied for 24/25 on a case by case basis. This is to start to align providers to a single rate for each care type over the 3 year period. Agreed rates will be backdated to 1 April 2024.

Rates applicable from 1st April 2024

The rates shown below will be effective from 1st April 2024 unless otherwise stated.

Residential and Nursing Non-Complex and Complex

The Council is awarding varied uplifts based on where the provider is currently positioned around fees charged in 23/24.

This year we will focus on paying the lowest paid framework providers up to the maximum % uplift for their care category. Higher paid providers may receive a lower uplift.

Uplifts will be capped so as not to exceed what is considered Walsall's average fee levels in 23/24 (increased to 24/25 costs). In calculating the uplifts, the Council has taken into account the published rate plus any first party top ups and payments for additional needs .

| Care Type | 2023/2024 published rates | Maximum variable % uplift awarded 24/25 | Residential and Nursing Contractual Rates for 24/25 |
|--|----------------------------------|--|--|
| 18 – 64 years Residential | £534.33 | 10.03% | £587.92 |
| 18 – 64 years Residential EMI | £603.34 | 9.97% | £663.49 |
| 18 – 64 years Nursing (Excl FNC) | £626.34 | 9.27% | £684.40 |
| 18 – 64 years Nursing EMI (Excl FNC) | £704.77 | 9.28% | £770.17 |
| 65 and over years Residential | £534.33 | 10.03% | £587.92 |
| 65 and over years Residential EMI | £603.34 | 9.97% | £663.49 |
| 65 and over years Nursing (Excl FNC) | £626.34 | 9.27% | £684.40 |
| 65 and over years Nursing EMI (Excl FNC) | £704.77 | 9.28% | £770.17 |

Residential and Nursing - Out of Borough services – Older people

If you are currently paid in line with your host Local Authority rate and this has been subject to change, please supply a copy of the written confirmation of the new rate from your host local authority, which will be forwarded to our colleagues in Adult Social Care for consideration. It is important to note, that to be awarded the host authority's uplifted rate, the contract will need to be part of their Framework. Bespoke contracts that have already been negotiated on an individual basis will not be subject to an automatic inflationary increase. This may be considered on a case by case basis.

Complex needs – Residential and Nursing Care

Individually negotiated.

Reablement and Rapid Response – Domiciliary Care

The Council is increasing the minimum hourly rate from £18.00 to £19.30 per hour.

If you currently receive more than £19.30 then this will not change but no uplift will be applied.

Community Based Services (CBS) Framework – Older People, Complex, Mental Health Functional and Mental Health Dementia

The Council is increasing the minimum hourly rate by from £18.00 to £19.30 per hour.

If you currently receive more than £19.30 per hour, then this will not change but no uplift will be applied.

The 2024/2025 Domiciliary Care rate is:

| Banding | 2023/24 | 2024/25 |
|-------------------------|----------------|----------------|
| 15 minutes (paid as 20) | £6.00 | £6.43 |
| 30 minutes | £9.00 | £9.65 |
| 45 minutes | £13.50 | £14.48 |
| 60 minutes | £18.00 | £19.30 |

Supported Living – (Please note rate amendment)

Provision of Supported Living for Complex Needs Framework (Lots 1 – 7) in the borough of Walsall:

For all framework contracts rates for 2024/2025 will be £18.24.

Spot purchase contracts for the provision of Supported Living for Complex Needs:

Spot purchase contracts for 2024/2025 the minimum hourly rate will be £18.24 but individually negotiated based on need.

Supported Living providers currently paid above £18.24 per hr.

If you currently receive more than £18.24 per hour, then this will not change but no uplift will be applied.

Sleep in and waking Nights.

Sleep-in and waking night rates will be awarded an increase of 7.27%.

Direct Payments – (Please note rate amendment)

For the Domiciliary Care element of a direct payment, The Council is increasing the hourly rate to £19.30 in line with Community-Based Services Framework.

If you currently receive more than £19.30 then this will not change but no uplift will be applied.

For the Supported Living element of a Direct Payment, the Council is increasing the hourly rate to £18.24 in line with Supported Living Framework and contracted Supported Living provision.

For the Personal Assistant element of a Direct Payment, the rate will increase from £12.44 to £13.39 for 2024/2025.

Day Care

This will be increased by 9.65% included those funded by Direct Payments

Shared Lives

Shared Lives Payments will be increased by 8.53%

Future Proposals

The Council will develop a 3 year plan to address quality and fee levels and will be engaging with providers accordingly to work towards a Walsall Reasonable Cost of Care model.

For general queries please email:

AdultSocialCareCommissioning@walsall.gov.uk

For Invoicing Arrangements please see below

| Area | Payment Detail | Contact details address/Submission of invoices |
|--|--|--|
| Providers paid by Electric Call Monitoring – Older People, Complex, Mental Health Functional & Mental Health Dementia and non-contracted providers | Rates will be applied to system with effect from 1 st April 2024 | Remittance is sent via email to the provider. Requests for copies should be sent to: ASCCommissionedservicespaymentteam@walsall.gov.uk |
| Direct Payments | Rates will be applied from 1 st April 2024 | |
| Residential & Nursing Permanent Placements | Rate will be applied to the system with effect from 1 st April 2024 | |
| Replacement Care | Providers required to submit invoice(s) with new rates applicable from 1 st April 2024. Please include Order details and MOSAIC reference on invoice. | Invoices to be submitted by email to: ASCCommissionedservicespaymentteam@walsall.gov.uk |
| Rapid Response | Providers required to submit invoice(s) with new rates applicable from 1 st April 2024. Please include Order details and MOSAIC reference on invoice. | Invoices to be submitted by email to: ASCCommissionedservicespaymentteam@walsall.gov.uk |
| Reablement | Rates will be applied from 1 st April 2024 | Remittance is sent via email to the provider. Requests for copies should be sent to: ASCCommissionedservicespaymentteam@walsall.gov.uk |
| If you are unsure where to send your invoice please contact | | ASCCommissionedservicespaymentteam@walsall.gov.uk |

In relation to retrospective uplifts, providers will be required to continue to submit Invoices at the old rate until rates and implementation dates have been agreed and reflected in Financial systems. Providers will then be required to send in a supplementary invoice for the period relating to the uplift agreement date backdated to 1 April 2024.