

## Domiciliary Care Fee Setting 2025/2026

### Consultation Document – 28<sup>th</sup> January 2025

#### Proposed approach, stages, and timescales


- 1.1 The City of Doncaster Council and Doncaster Integrated Care Board (ICB) need to make decisions about fee rates for the new financial year from April 2025 to March 2026.
- 1.2 The information in this document addresses the approach that is proposed for inflation. There is a further consideration of what base costs should be following the recent cost of care exercises across domiciliary care and care home sectors. However, because national government have only advised the Council of its allocation this week, the Council needs to do further work before proposing outcomes for both sectors. Timelines are set out below.
- 1.3 Doncaster Adults Wellbeing and Culture have the following vision:

**We want every person in Doncaster to live in the place they call home with the people and things that they love, in communities where they look out for one another, doing things that matter to them.**

**Adults, Health and Wellbeing  
Doncaster Council**

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- 1.4 Our services are operating under the new Practice Framework which was co-produced with people in Doncaster and outlines the way we work with and for people who need care and support. We want to support our providers to work with people in the spirit of the vision and the framework below.

<b>Adults, Health and Wellbeing practice framework</b>  	<b>WHY?</b>	<b>We want every person in Doncaster to live in the place they call home with the people and things that they love, in communities where they look out for one another, doing things that matter to them.</b>					
	<b>WHO?</b>	<b>Everybody</b>	<b>People with urgent needs for support</b>		<b>People with longer-term needs for support</b>		
		We listen to people to understand what matters to them. We make connections and build relationships to improve people's wellbeing and independence.	We don't make long term plans in a crisis. We work with people until we're sure there is no immediate risk to their safety, health or wellbeing, and they have regained stability and control in their life.		If people need longer-term care and support, we work with them to understand what a good life looks like for them. We make sure they have resources and support to live the life they choose and do the things that matter to them as independently as possible.		
	<b>HOW?</b>	<b>Hope</b>	<b>Connection</b>	<b>Relationships</b>	<b>Inclusion</b>	<b>Flexibility</b>	<b>Rights</b>
		We focus on possibilities, dreams and aspirations. We don't limit people's choices.	We explore ways to involve people in their communities. We make and maintain meaningful connections.	We support people to keep existing relationships and make sure they have opportunities to build new ones.	We don't judge people or make assumptions. We involve people as equal partners in conversations and decisions about them, their families and their communities.	We are willing and able to adapt. Our approach is responsive and proportionate.	We make sure people know their rights. We promote autonomy, choice and self-determination.
		<b>We're kind</b>	<b>We behave</b>	<b>We're trusting</b>	<b>We're transparent</b>	<b>We're present</b>	<b>We're honest</b>
		We respect and understand people as individuals. We don't make snap judgements.	We know and follow the law, ethics and best practice. We are always open to improvement.	We know people tend to be honest and know what's right for them. We listen and we keep an open mind.	We're open about our rules, making them clear so people know what they can and cannot expect.	We connect and engage well with people. We respond in a timely manner.	We are honest about what we are going to do. When we say we are going to do something, we do it.
	<b>We know the language we use matters. We use plain, respectful and kind language.</b>						
	<b>WHAT?</b>	<b>Wellbeing and independence</b>	<b>Information and advice</b>	<b>Active and supportive communities</b>	<b>Flexible and integrated care and support</b>	<b>When things need to change</b>	<b>Workforce</b>
		Living the life I want, keeping safe and well	Having the information I need, when I need it	Keeping family, friends and connections	My support, my own way	Staying in control	The people who support me
	<b>SO?</b>	<b>Better experiences and better lives for Doncaster people</b>		<b>Improved morale and satisfaction for Doncaster's workforce</b>		<b>More sustainable use of resources</b>	

- 1.5 There will be three stages to the decision-making process taking into account the vision and the practice framework:
- The initiation and conclusion of formal consultation with all domiciliary care providers in Doncaster within scope on the basis of proposals for 2024/2025 fee rates drawn up by the Council and ICB. This will run between **Tuesday 28<sup>th</sup> January to Friday 14<sup>th</sup> February 2025**
  - A decision-making stage incorporating full consideration of all consultation feedback by the Council and ICB. This will follow appropriate governance within the constitutions of both the Council and the ICB. The Council decision will be made by Council Cabinet **on 27<sup>th</sup> February 2025**.
  - An implementation stage when decisions and justifications are communicated to care providers. This will be by **Friday 21<sup>st</sup> March 2025** to allow for notice to be given to care providers ahead of the introduction of new fee rates.
- 1.6 The Council is required by law to set a balanced budget for each financial year. This will be agreed by full Council in February 2025 for the financial year running from April 2025 to March 2026. Therefore, this overall process must be concluded in line with the timescale above.
- 1.7 The Council and ICB continue to welcome the role of providers in constructive dialogue on the fee setting process.
- 1.8 Decision-making is the preserve of the Council and ICB. The above process is intended to ensure that feedback from providers is fully taken into account and decisions made are on a robust and lawful basis.

## **2 Quality of Domiciliary Care Provision in Doncaster**

- 2.1 The Care Quality Commission (CQC) has a statutory responsibility to regulate and inspect domiciliary care providers in England. The current ratings published in December 2024 within Doncaster, demonstrate a largely positive picture with Doncaster comparing well to national and regional comparators with no contracted or non-commissioned domiciliary care providers in Doncaster assessed as Inadequate by CQC. 55% of all domiciliary care providers in Doncaster are rated good or outstanding, 5% are rated Requires Improvement with 40% awaiting inspection and rating. During 2024 there has been one withdrawal from commissioned domiciliary care.
- 2.2 This is testament to the commitment and dedication of Doncaster's providers, alongside the hard work, compassion, and skill of staff.

## **3. Fair Cost of Care 2022/Fee Rate Calculations 2023/2024**

- 3.1 Additional funding was made available to Local Authorities through the Fair Cost of Care and Market Sustainability Fund to support a Fair Rate for Care exercise that needed to be carried out by the autumn of 2022.
- 3.2 The Department of Health and Social Care required publication of the Fair

Cost of Care in February 2023.

- 3.3 The exercise was completed in Doncaster with extensive consultation and engagement with the domiciliary care market both collectively and individually, to maximise the response rate. A copy of the published report can be found [here](#).
- 3.4 Full Council considered the outcome of the Fair Cost of Care and the resulting proposals to fee rates for 2023/2024 and additional inflationary cost pressures including CPI of 10.1% as at September 2022 and increases to National Minimum Wage to £10.42 from April 2023.
- 3.5 Agreement was reached to increase the hourly rate for 2023/2024 from April 2023 to £24.60 per hour.
- 3.6 This represented a 25.9% uplift from the previous domiciliary care hourly rate in 2022/2023

#### **4. Fee Rate Calculations 2024/2025**

- 4.1 For the fee uplifts in 2024/2025 the Council considered the position from the Fair Cost of Care and any additional cost pressures from inflation and National Living Wage.
- 4.2 The Council and ICB, following a consultation with the market uplifted fee rates by CPI as of September 2023 of 6.7% and National Living Wage which resulted in an increase to fees to £26.92 per hour.
- 4.3 This revised fee level represented a 9.43% uplift

#### **5. Financial Support to the Market**

- 5.1 During 2021/2022 the Council put in place a process to support Adult Social Care providers experiencing financial sustainability issues in light of the Covid pandemic. Analysis was undertaken of capacity and availability of provision across Doncaster and sufficiency of provision.
- 5.2 This process remains in place and meetings continue to be held individually with any providers notifying the Council of financial sustainability concerns.

#### **6. Proposed Fee Increase 2025/2026**

- 6.1 The Council and ICB propose to inflate the non-staffing base costs by the nationally recognised metric CPI for September 2024 confirmed at 1.7%.
- 6.2 The Council and ICB will apply National Living Wage increase to staffing costs as calculated within the 2023/2024 base fee to ensure providers are able pay staff the National Living Wage where appropriate and to continue to retain appropriate differentials between staff groups that reflect their seniority.

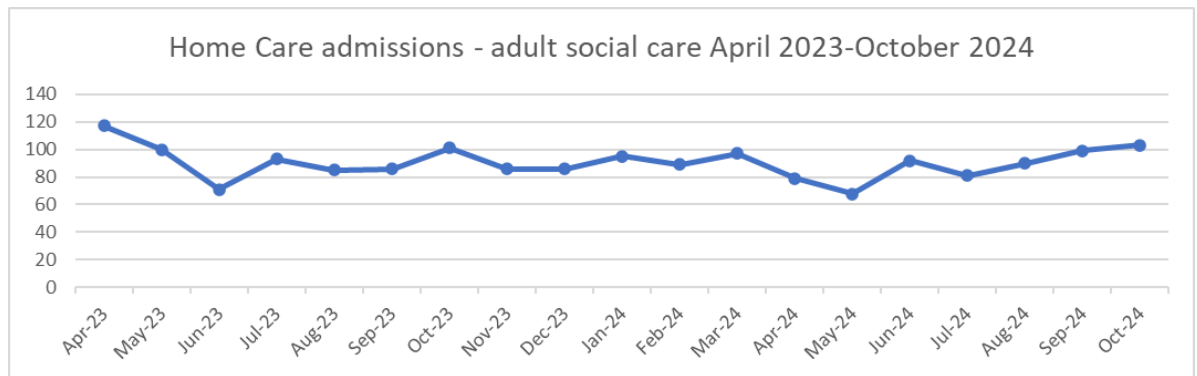
- 6.3 The 2025/2026 National Living Wage has been confirmed at £12.21 per hour, an increase of 6.73% on the existing rate of £11.44 per hour and this increase has been reflected in the proposed domiciliary care rate below.
- 6.4 The Government has also made changes to Employer's National Insurance contributions with effect from 6 April 2025. These are twofold – the insurance contribution rate will increase from 13.8% to 15%, and the threshold at which contributions are made reduces from £9,500 to £5,000 per annum.
- 6.5 It is recognised that both changes will increase provider costs and the Council and ICB propose to increase fee rates to reflect these increased costs.
- 6.6 The impact of the National Insurance changes will vary from provider to provider, influenced by the make-up of the workforce, the levels of pay and hours worked.
- 6.7 It is proposed that the domiciliary care fee rate increases to £29.48 per hour from April 2025, an increase of 9.51%.

## **7. Additional National Support 2025/2026**

- 7.1 There is no indication of any additional national funding in excess of the funding being utilised to support the fee increases in 2025/2026 as detailed within paragraph 6. If any further funding is announced the Council will inform the market.

## **8.1 Purchased Hours/Individuals Supported**

- 8.1 It is accepted that there is significant variation in the size of domiciliary care providers in Doncaster. The Council has 18 providers delivering services through 2 contract mechanisms:
- CCaSH – Delivered through SLPs and ASPs
  - Legacy Framework
- 8.2 During 2024 there has been one withdrawal from Doncaster domiciliary care market due to the provider ceasing trading.
- 8.3 Currently Doncaster Council purchase in excess of 16,500 hours per week of domiciliary care through its contracts.
- 8.4 The chart below shows the number of new starters into domiciliary care from April 2023 to October 2024.



8.5 The graph above shows that there has been a steady level of new admissions each month between April 2023 and October 2024, the graph shows a reduction in the summer months and an increase during the winter months, which corresponds with the additional admissions and pressures on health services.

8.6 Since April 2023 we have noted an increase of capacity within the market and there has not been a waiting list for support during the last 18 months.

8.7 If providers are experiencing significant financial hardship that may result in closure of their service, then they are encouraged to approach the Council and individual discussions may be held. This would take into account the level of quality of provision (including but not limited to the service CQC inspection rating), type of service delivered, location, market conditions etc.

## 9. Conclusion

9.1 Providers are welcome to make comment on all matters outlined above including the Council and ICBs proposals to increase fee levels.

9.2 Representations are welcome from all domiciliary care providers either through collective representations or individually. All representations will be duly considered.

9.3 The Council and ICB will make every effort to accommodate meetings with providers. This planned contact will ensure clear and respectful communication throughout the consultation period.