

Extra Care Housing Fee Setting 2025/2026

Consultation Document – 28th January 2025

1. Proposed approach, stages, and timescales

- 1.1 The City of Doncaster Council need to make decisions about fee rates for the new financial year from April 2025 to March 2026.
- 1.2 This will comprise of an evaluation of the current cost base, inflationary increases and national and local indicators and information.
- 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 the people in the spirit of the vision and the framework below.

Adults, Health and Wellbeing practice framework 	WHY?	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.					
	WHO?	Everybody	People with urgent needs for support		People with longer-term needs for support		
		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.		
	HOW?	Hope	Connection	Relationships	Inclusion	Flexibility	Rights
		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.
		We're kind	We behave	We're trusting	We're transparent	We're present	We're honest
		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.
	WHAT?	Wellbeing and independence	Information and advice	Active and supportive communities	Flexible and integrated care and support	When things need to change	Workforce
		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
	SO?	Better experiences and better lives for Doncaster people		Improved morale and satisfaction for Doncaster's workforce		More sustainable use of resources	

- 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 extra care housing 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 28th January to Friday 14th 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 27th February 2025**.
 - An implementation stage when decisions and justifications are communicated to care providers. This will be by **Friday 21st 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 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. 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 Extra Care Housing Provision in Doncaster

- 2.1 The Care Quality Commission (CQC) has a statutory responsibility to regulate and inspect extra care housing providers in England. The current ratings as of January 2025 within Doncaster are that the three contracted and one non-commissioned extra care housing settings are rated as Good.
- 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 and Fee Setting in 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 Doncaster Council utilised elements of the outcome of the Fair Cost of Care (18+ Domiciliary Care) to revise the fee levels for extra care.

- 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.

Agreement was reached to increase the hourly rate for 2023/2024 from April 2023 to £19.46.

- 3.5 This represented a 14.74% uplift from the previous extra 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, 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 £21.30 per hour.
- 4.3 This revised fee level represented a 9.43% uplift

5. Proposed Inflationary Increase 2025/2026

- 5.1 The Council propose to inflate the non-staffing base costs by the nationally recognised metric CPI for September 2024 confirmed at 1.7%.
- 5.2 The Council 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.
- 5.3 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 extra care fee rate below.
- 5.4 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.
- 5.5 It is recognised that both changes will increase provider costs and the Council propose to increase fee rates to reflect these increased costs.
- 5.6 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.

- 5.7 It is proposed that the extra care fee rate increases to £23.32 per hour from April 2025, an increase of 9.51%.

6. Additional National Support 2025/2026

- 6.1 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 5. If any further funding is announced the Council will inform the market.
- 6.2 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.

7. Conclusion

- 7.1 Providers are welcome to make comment on all matters outlined above including the Councils proposals to increase fee levels.
- 7.2 The Council will make every effort to accommodate meetings with providers. This planned contact will ensure clear and respectful communication throughout the consultation period.