

**Oxfordshire County Council
County Hall
New Road
Oxford
OX1 1ND**

Adult Social Care providers

**Karen Fuller
Interim Corporate Director of
Adults and Housing Services**

31 March 2022

Dear Provider,

Re: Fee Uplift for 2022/23 – from 1 April 2022

We are writing following the Consultation exercise to confirm the Fee Uplift for 2022/23. We also set out below a summary and response to the points of input and challenge raised by providers.

An uplift of 6% will be automatically applied to all providers operating within Oxfordshire whose current rates are within the Ceiling Thresholds as outlined below. The uplift will not be applied to packages of care which are wholly funded by Health. The uplift will be applied from 1 April 2022. These will be reflected on your next remittance in early April.

Services	Ceiling Threshold Weekly / Daily / Hourly Rate £.p
Residential Care Homes (Weekly)	£1,000.00
Nursing Care Homes (Weekly)¹	£1,200.00
Short Stay / Intermediate Beds	No Ceiling
Live Well at Home - Homecare Support (Hourly)	£25.20
Community Support (Hourly)	£25.20
Extra Care Housing (On-Site Care - Weekly Charge)	£59.24
Extra Care Housing (Hourly)	£25.20
Supported Living (Hourly)	£19.90
Day Services	No Ceiling
Direct Payments²	No Ceiling

Note ¹ Inclusive of FNC – the Ceiling will be increased in line with the new rate to be announced in April to apply for 2022/23

² Direct Payment uplifts will be subject to review on a client-by-client basis

Rationale

The uplift is based on the advice from ADASS and LGA for 2022/23 which indicates that an increase of 6% would be required to keep rates in line with the increase in the National Living Wage, inflationary pressures, the NI Levy, and pressures emerging out of the pandemic. The level of the ceiling rates has been set after allowing for current contract and framework rates and the planned 6% uplift.

COVID-19 costs for all care types will continue to be monitored and reviewed based on the national and local situation as 2022/23 progresses.

Consultation

Providers raised a number of points and challenges in the consultation which are summarised below together with the council view and response:

1. Uplift Requests ranging from 7.5% to 20%
2. National Living Wage Uplift (NLW - 6.6%)
3. NI Levy (1.25%)
4. Hotel Costs – Maintenance, Fuel, Heating and Lighting (25% - 30%)
5. Inflation - Retrospective / Backward Facing Indexation (2.5% vs current indication of 7.5%)
6. Shortfall on Prior Years Uplifts

The council considered each of the points raised and grouped the response under three themes:

Uplift, NLW and NI Levy (*items 1-3*)

The Fee Uplift of 6% is calculated on a weighted basis considering pay, the NI Levy, Hotel, and Inflation costs. It is based on the independent review undertaken for LGA and ADASS.

The uplift compares very positively with neighbouring authorities in the South East where the average uplift, based on current reported data, is 3.97% (ranging from 2.0%-5.50%).

Hotel and Inflation (*items 4-5*)

The indices are based on the 12-month trends to October / November 2021 which were indicating 2.5%-3%.

Any shortfall in this year's inflation indices will naturally be picked up and recovered by being incorporated as part of the next Fee Uplift review process for 2023/24.

Prior Years' Shortfalls (*item 6*)

The Fee Uplift for 2022/23 is based on a 12-month year-on-year process which is detailed in the various Contracts, Frameworks and Spot Contract arrangements.

Providers who identify a potential shortfall in prior years' uplifts can consider addressing this by submitting a specific request for a retrospective review to the Fee Uplift Panel as part of the review process.

Review Process

Providers who are out of county or whose rates are above the Ceiling Threshold can submit a request for a review and uplift of their current rates. These requests will be considered by a Fee Uplift Panel. The process is:

1. Providers submit a request to CareContractsPriceReview@oxfordshire.gov.uk together with the cost analysis tool which can be found here – <https://www.oxfordshire.gov.uk/ascfees>
2. The Panel will look at:
 - The Care Needs of the individual cases
 - Unit Costs compared to CareCubed / Home care Benchmarking
3. Providers will be informed of the outcome. If a change is recommended by the panel, the provider will receive the appropriate Uplift. We will then arrange payment as agreed.

More information on the Fee Uplift, Consultation and Fee Review process can be found on the web site <https://www.oxfordshire.gov.uk/ascfees>

Finally, we would like to thank everyone who participated in this consultation for giving your time to this process. Thank you for your ongoing support.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Karen Fuller', is placed over a light grey rectangular background.

**On behalf of
Karen Fuller
Interim Corporate Director for Adult and Housing Services
www.oxfordshire.gov.uk**