

# Cost of Living Impacts – Adult Social care

Updated March 2023

# Previously Reported Issues

- Home care – fuel
- Residential care – Energy Costs / Food / Insurance Premiums
- Supported Living / extra care – increased bills for tenants – energy

# Home care – Fuel

Fuel cost at the pumps has now broadly returned to the process seen in December 2021, therefore the pressure specifically in relation to the fuel costs borne by the home care workforce isn't as critical as it was in Summer/Autumn 2022.

Previously reported data:

	Diesel PPL	Unleaded PPL	Average PPL
Dec-21	149.31	145.61	147.46
Aug-22	196.94	187.07	192.00

# Residential - Energy

- Providers continue to report pressures in the subject area of energy
- Recent change to eligibility of the Energy Bills Support Scheme, allowing some care home residents to apply

# Residential Care - Insurance

- Insurance premium increases due to covid aftermath
- Providers having to undertaken individual risk assessment for covid positive residents
- Some Providers have to refuse whilst resident remains covid positive, leading to potential delays in discharges

# Sector-wide Challenges

- Workforce recruitment and retention
- Market sustainability - finances

# Workforce – Recruitment and Retention

- One of the main issues facing the entire care market is the security and stability of its workforce.
- General cost of living crisis facing almost all of us
- Alternative competing employment sectors
- Skills for Care State of Care Report October 2022 reports that on any one given day, there are around 165,000 vacancies

# Market Sustainability

- DHSC Cost of Care exercise
- Significant cost differential for 65+ care homes
- Less differential for home care
- LA has to develop and submit a Market Sustainability Plan to DHSC
- Continuing work with the provider market regarding sustainability
- Further detailed dialogue regarding dual registration
- LAs only being awarded 1 year (2023/24) of Fair Cost of Care and Market Sustainability Grant



# Market Sustainability - Finances

- Budget setting 27<sup>th</sup> February
- ASC fee setting
- Annual uplifts awarded to providers - the need to consider Council affordability and ensuring support of legislative requirements (NLW)
- Uplift awarded is 10% for 65+ care homes - significant uplift for the second year running