



KiCA – Kent Integrated Care Alliance

Update on Contracting with KCC Event 24th November 2015



KENT INTEGRATED
CARE ALLIANCE

Executive Board Member – Adam Hutchison

Scene Setting

- Essentially a Trade Association formalised to aid independent care businesses
- Formed from *Kent Care Homes Association / Kent & Medway Care Alliance / Kent Community Care Association* – Joint Agenda
- All Forms of Care
 - Community / Home Care
 - Care Homes – Residential / Dementia / LDMH
 - Nursing Homes
 - Voluntary Sector

About Us

- KiCA is a collaborative social enterprise helping to shape the future of social care and health in Kent and Medway
 - Acting as a lead advocate for socially responsible care businesses
 - Analysing and sharing information on the emerging demands for care services amongst our 1.6m service users
 - Representing the provider perspective in discussion with local authorities & health commissioners
 - Providing training and development opportunities for leaders and staff
 - Helping our members to understand and use technology to run their services effectively and efficiency as possible
 - Much more... Check out the website www.kica.care

Our Membership

- KiCA represents Contracted and Non-Contracted Providers of Care
 - 34 Community Care Providers
 - 138 Care Home Providers – (Majority of KCC Contracted Providers)
 - Ranges from Single site providers to providers with 20+ sites
 - (Independent Kent Businesses are our focus)
 - 4 of our members employ upward of 250 people
- Representing over 6500 beds in Kent – Private and Voluntary Sector
- Over 75% of Home Care Contract Providers with KCC

KiCA Strategy – Short Term

- To be recognised as the '*voice for care in Kent*' by national representative bodies, the local statutory bodies (LSBs) and to be engaging regularly at the local political representative level;
- To educate local opinion formers, alongside the national care organisations, as to the real functioning of the care market in Kent;
- To work in partnership with the LSBs in order to lobby central government for an increase in the level of care funding;
- Increase the level of funding, both public and private, to the sector.

Crisis in the Care Sector?

- Silver Lining to get exposure for the great work carers do.
- Chance to get the right money for the right quality of care
- Chance to highlight the shortfall in funding
- Chance to re-build relationships
- Public focus on the gulf between Private and Socially funded service users.
- ALTHOUGH...
- Many may choose to leave the market as opportunities change
- Larger groups already making this decision



Key issues - National Living Wage

- **THIS IS A GREAT THING but the Numbers just dont Add Up.**
- KiCA Created a Cost model for discussion with KCC
- Potential return of contracts and providers withdrawal:
 - Recruitment and retention difficulties
 - Erosion of pay differentials – skill levels
 - Residential and Community Care Evaluation
 - Cost models for both forms of Care
 - The Care Sector cant compete – Costa / Aldi / Whitbread
 - Cost Models and Full KiCA report is available on the websi'

Community Care Model

KiCA NLW and Cost Increase Analysis

	Current 2013 Rates	Oct-14	Oct-15	Apr-16	Apr-17	Apr-18	Apr-19	Apr-20
	£6.31	£6.50	£6.70	£7.20	£7.63	£8.09	£8.58	£9.09
Statutory yearly increase		3.01%	3.08%					
% Increase	Cummulative increase	NMW 3%	NMW 6%	NLW 14%	NLW 21%	NLW 28%	NLW 36%	NLW 44%
Increase	Existing Care Rate	NIL uplift	NIL uplift	£0.89	£0.43	£0.46	£0.49	£0.51
Employer's "On Costs"								
Employer's NI Contributions	13.80%							
Holiday Pay	10.75%							
Employer's Pension Contributions	2%							
Sickness absence cover	3%							
Training costs	1.20%							
Maternity Pay	0.40%							
On Cost Increases	31%			£0.28	£0.13	£0.14	£0.15	£0.16
Total NLW Increase				£1.17	£0.57	£0.60	£0.64	£0.67
Inflation @2%				£0.02	£0.01	£0.01	£0.01	£0.01
				£1.19	£0.58	£0.61	£0.65	£0.69

Minimum annual increase to 'stand still'



Care Home Model

KiCA NLW and Cost Increase Analysis

		This years is all employees					
	Current 2015	Oct-15	Apr-16	Apr-17	Apr-18	Apr-19	Apr-20
NLW	£6.50	£6.70	£7.20	£7.60	£8.10	£8.50	£9.00
% Inc		3%	7%	6%	7%	5%	6%
No of Beds	28						
No Employees	23						
Weekly Wage bill	£7,095.00	£7,307.85	£7,853.21	£8,289.50	£8,834.86	£9,271.15	£9,816.51
Increase		£212.85	£545.36	£436.29	£545.36	£436.29	£545.36
Per Bed Required		£7.60	£19.48	£15.58	£19.48	£15.58	£19.48
Annual	£368,940.00	£380,008.20	£408,367.02	£431,054.08	£459,412.90	£482,099.96	£510,458.78
Increase		£11,068.20	£28,358.82	£22,687.06	£28,358.82	£22,687.06	£28,358.82
Fees	£440.30	£447.90	£467.38	£482.96	£502.44	£518.02	£537.50

- Does not include further on costs – this is to just stand still
- Based on Residential – but the % assumption is indeed passed over for Nursing and LD/MH
- Calculations / Report and Model available to all our members
- Presented to KCC at multiple levels

Current Contract Issues

Care Homes/Nursing

- Lack of understanding from both sides
- Price sensitive for Quality ineffective
- Fear Factor on both sides – Sector Vs. KCC
- Lack of collaboration
- Silo Businesses – Only focusing on single forms of Care
- Disadvantages pricing based on legacy contracts not current situation
- Short Term fix – Only 18 Months
- Helped create the new contract for April 2016 – NLW has placed further pressure to find the best contract for all parties

Contract Renewal April 2016

Care Homes/Nursing

- Quality Matrix discussion to Develop a true measure of Quality and KPI's
- Collaborative Working with KCC – Quality, Price, Banding, Contract
- November 2015 – Tender process begins – Kent Business Portal
- Get what you want out of the contract take the last 18 months as a lesson manage as you would with any supplier or client.
- Wealth Depleter Issues / Deferred payments understanding the terms...
- Understand the contract thoroughly at all levels
- Next KiCA provider Forum – Ensure all contracted providers attend – 8th December 2015 – 2pm Ashford Business Point
- Offering Legal support / group advise / Q&A session / Share Best practice

The New Contract Changes

- Attended and presented figures at KCC Cabinet level recently at which NCA were also in attendance.
- Removal of the banding system in Kent for Residential and Nursing Homes – KiCA Lobbied
 - 10% increase for East Kent lower band in Res / Nursing
- Changes to the quality measurement of care providers supporting a more collaborative view point - no longer price sensitive.
- Contract documents are now available for providers wishing to investigate contracting
- Focusing on multi-services of care in One Contract

Contact KiCA - Kent Integrated Care Alliance

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We welcome new membership all year round sign up & to our newsletters by emailing marketing@kica.care



Members Contact us at info@kica.care

Please check the website at www.kica.care for all updates...