

## The CPIC view on the 2020/21 annual uplift

67. **Residential Services.** Taking all this into account it is our view that, in order to maintain ‘parity’, providers of residential services are going to require an annual uplift for 2020/21 of:

$$\frac{((65 \times 2\%) + (32 \times 3\%))}{100} = 2.4\%$$

68. **Domiciliary Care Services.** Taking all this into account it is our view that, in order to maintain ‘parity’, providers of domiciliary care services are going to require an annual uplift for 2020/21 of:

$$\frac{((79 \times 2\%) + (19 \times 3\%))}{100} = 2.3\%$$

### The staffing ‘shortfall’

69. These increases will only maintain ‘parity’. They will not address the very real concern that with an aging population the demand for care services is going to increase. As it stands, with staff vacancy rates running at 7.8% nationally, the sector is unable to recruit and retain the staff it needs to meet existing commitments.

70. Across all sectors, the average staff retention rate nationally is 90%, equating to 10% staff turnover. Whilst there is variation in staff turnover between different sectors, our figure of 31% (and Skills for Care’s figure of 30.4% in 2020) are three times the national average.

71. A combination of the fact that young people are reluctant to choose care as a career and that the sector is heavily reliant on non-UK nationals (from inside and outside the EU), whose ability to work here may well be curtailed by new freedom of movement restrictions as a result of Brexit, means that a difficult staff recruitment situation is likely to get considerably worse.

72. This is not only the responsibility of the local authority, but it is an area we would like to liaise closely with you around, because it has significant implications for both providers and commissioners of services.

### Conclusion

73. CPIC, the Trade Association representing the Adult Health and Social Care Sector in Cornwall recommends that this report is incorporated into the calculations made by Cornwall Council and forms the basis of the decision for next year’s budget. The figures quoted above do not reflect any increases in costs suffered by the sector during the Covid-19 pandemic as these are, hopefully, temporary increases in operational costs, nor does it include any variables that might be introduced as a result of “Brexit” on 31<sup>st</sup> December, 2020.

### CPIC recommendations to Cornwall Council

74. It is clear that based on the data in this report that an increase of 2.4% in the Residential sector and of 2.3% in the Domiciliary Care sector is required as an absolute minimum just to maintain parity with “business as usual” conditions.

75. It is also clear that the current situation in Cornwall is not “business as usual”. Providers have been greatly affected by Covid-19, Brexit, Statutory Sick Pay regulations, and a new Equipment Policy, all of which have considerably added to Providers’ costs during 2020. The exact level of these additional costs will not be clear until after the end of the current financial year, however an extremely conservative estimate of year on year additional costs outside of those referenced in this report. would be 5%.

76. To ensure that Cornwall’s social care sector is able overturn the capacity lost in recent years and return to a prolonged period of growth to support the health care system across Cornwall, Cornwall Partners in Care are recommending an increase in fees of **7.4% for the Residential sector and 7.3% for the Domiciliary Care and Supportive Lifestyles sector.**