

National Care Home Contract increase 2026/27 approved.

5 Councillor Cunningham, City Convener for Health, Care & Caring and Older People, presented a report regarding an increase to the National Care Home Contract (NCHC) fee rates for 2026/27, advising that

- (1) the NCHC fee rates for 2026/27 had been agreed with the terms of the settlement taking effect from 6th April 2026 and the settlement had set out the expectations in relation to the payment of Adult Social Care Pay rate by providers;
- (2) a rate of 5.145% had been applied to nursing care and 5.496% for residential care from 6th April 2026, with these rates being applied to the NCHC and other commissioned services, including a national minimum wage of £12.71 per hour for domestic and catering support staff, as detailed in the appendices to the report;
- (3) the cost of the uplift for 2026/27 was £6.342m and provision had been made in the Integration Joint Board's 2026/27 budget to meet this commitment;
- (4) the NCHC would be varied to ensure that all direct care workers were paid a minimum of £13.45 per hour and, agree that remuneration could be periodically monitored by the commissioning authority, including direct verification with employees of the provider and that there would be no displacement of any other costs onto staff by the employer; and
- (5) the rate included an uplift of 3.75% within the nursing element to reflect the Agenda for Change agreements for NHS nursing staff, and a commitment to guarantee that if the Consumer Price Increase from January to December 2026 was greater than 3.75%, the increase would be adjusted upwards appropriately.

After consideration, the committee

- (a) agreed
 - (i) the proposed rates from 6th April 2026 and apply the National Care Home Contract uplift to commissioned services, as detailed in Appendix 1 to the report; and
 - (ii) to vary the contracts with providers in line with the conditions set out in the report; and
- (b) noted
 - (i) that on conclusion of the Best Value reviews for Specialist Services, updates to rates would be applied at the date each review was completed and approved; and

- (ii) that a further update may be required to meet the Agenda for Change inflation commitment.