

# Information for adult social care providers

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Leicestershire  
County Council

Issue 10:

Dear colleague,

Thank you for your continued support, and your engagement in our weekly social care provider conference calls – they are an excellent opportunity for you to ask questions about the matters of most importance to you at this challenging time, as well as for us to give timely updates.

In response to your queries about financial matters, I am writing with this dedicated finance bulletin to answer your Frequently Asked Questions (FAQs).

## Your finance questions answered

We have collated and responded to a range of questions below; please join us at our weekly calls next week if you have follow-ups, or alternatively please contact our Provider Communication Line – details are given at the bottom of this bulletin. Where your organisation has raised queries which can be addressed through these FAQs, we will not send you an individual response – thank you for your understanding as we make the best use of staff time in supporting you.

No	Question	Sector	Answer
1	What plans do you have to support cash flow in the sector?	Non-residential providers  Residential	<p>In April there will be a forward payment to support a non-residential provider's cashflow. It is equivalent to eight weeks care (double the commissioned care for the 4-week period 23<sup>rd</sup> March – 19<sup>th</sup> April 2020, as recorded at Monday 30<sup>th</sup> March). This payment is an advance payment to support any impact upon the cashflow to a provider's business whilst we move through these uncertain times.</p> <p>The forward payment is recoverable. The recovery of the forward payment will be reviewed in 3 months. No definite arrangements have been made as yet, but recovery will not be made before September. We will ensure that you are kept fully informed.</p>

			<p>In late April, there will be a forward payment to support a residential provider's cashflow. It is equivalent to 2 weeks of planned care for the 20<sup>th</sup> April – 3<sup>rd</sup> May.</p> <p>The forward payment is recoverable. The recovery of the forward payment will be reviewed in 3 months. No definite arrangements have been made as yet, but recovery will not be made before September. We will ensure that you are kept fully informed.</p>
2	How soon will you pay invoices we raise?	General	Where a provider receives a scheduled (4-weekly care period) payment, the payment date is immediate on the date of the scheduled / published day.
3	Will you pay additional for PPE / hand wash as we are being charged extra for it?	General	All additional costs related to Covid-19 will be paid for and will use National Guidance to define how this will be paid
4	Will you pay the additional cost of other essential supplies?	General	All additional costs related to Covid-19 will be paid for and will use National Guidance to define how this will be paid
5	What are the details of the planned uplift for Residential Care ?	Residential Care	For Leicestershire residents the band rates will be increased by 4.1%, which is a blended rate that takes account of the Consumer Price Index (CPIH) annual inflation rate of 1.4%, and the National Living Wage increase for 2021 of 6.2%. Supplementary Needs Allowance Payments will be increased by 6.2%. The National Living Wage has been used to calculate the increase for this year only. In April 2021 we will review the 2 years together (20/21 and 21/22) based on normal contract indices, but there won't be a clawback.
6	Can you tell us any more about the national guidance regarding finance and what impact this will have?	Residential Care	The first national guidance has been issued and we are reviewing it to see how to implement.
7	What can you tell us to allay concern over extra costs we will incur?	Home Care	The Council is committed to cover additional costs. Current guidance suggests a 10% increase for April and this will then be reviewed nationally and locally – though Leicestershire County Council's preference is to keep to national

			guidance. We are working on the detail of this payment for home care providers and will issue this as soon as it is available.
8	The letter to Home Care Providers confirms that you have "the facility in place to enable provision of payment to support temporary additional care over planned", can you please explain more details around this and the process?	Home Care	<p>The process is as defined in Leicestershire County Council's Finance Provider Guidance, which is issued to home care providers to operate the Help to Live at Home (HTLAH) contract, as follows:</p> <ul style="list-style-type: none"> <li>(i) Where there is a temporary variation in the service, the Service Provider must submit the reason for the temporary variation via the agreed form to Finance Operations. There are three agreed reasons for a temporary variation.</li> <li>(ii) The Provider is required to keep records relating to any temporary increase or decrease in hours of care identifying the reason why the change in hours is needed.</li> </ul>
9	Will you pay if we have to use an alternative building base if our usual office has closed?	Home Care	We do not pay for office base, we pay for provision of service.
10	How is the base level calculated for top-ups?	Home Care	We will use 27 <sup>th</sup> Jan to 23 <sup>rd</sup> Feb as the baseline period.
11	What is the forward payment base level period?	Home Care	We will be using the four week period from 23 <sup>rd</sup> March to 19 <sup>th</sup> April.
12	Will 10% continue in May and June and will we cover cost of Statutory Sick Pay (SSP)?	Home Care	The plan is to cover additional costs whilst the Covid-19 disruption continues – the amount will depend on the national and local review. We will consider if SSP is covered by 10%
13	Regarding the 20-21 uplift for home care, can you confirm the amount of the uplift and when this will be applicable from?	Home Care	All home care providers have been sent their uplift letter between 10th-13th April 2020, which confirms the new maintenance rates and the effective date. The rates are different for each lot, therefore each provider will receive only the detail of the rates for the lots they work in. The rates came into effect from Monday 6 <sup>th</sup> April 2020.
14	I was interested to read the comments	Home Care	The complexity arises where we blend the payment on planned hours with the

	regarding how a move to planned payment could be more onerous to providers, given that all of our other council providers are switching to planned payments, could you please explain the reasoning behind this and why this is considered more onerous?		need to also pay where a provider temporarily delivers more hours than planned. We would need to be able to generate the payment using the planned hours whilst also then add to those hours with the additional temporary hours delivered by the provider. With the volume of providers, each have their own financial / administrative process and system for data submission; not all providers may deliver additional temporary hours; and we have a defined time-line to process the data for payment to ensure that scheduled payments are made accurately and on time.
15	We believe you are offering to pay for planned care in advance but then do an actuals reconciliation in September and use this to claw back any overpayments. This feels like a loan and not the extra money needed to deal with the extra costs of the covid crisis. The Alliance membership thinks you should be paying planned and not reconciling later in order to avoid providers feeling they are going into debt with the Council. A debt that might put providers out of business later instead of now.	Home Care	<p>In April there will be two payments that equate to three 4 weekly care periods:</p> <ol style="list-style-type: none"> <li>1) 17<sup>th</sup> April – 4 weekly scheduled payment for the care period 24<sup>th</sup> February – 22<sup>nd</sup> March, based on the Actual hours of care delivered.</li> <li>2) Forward Payment - to support a home care provider's cashflow, a Forward Payment will be made. It is equivalent to eight weeks care (double the commissioned care for the 4-week period 23<sup>rd</sup> March – 19<sup>th</sup> April 2020, as recorded at Monday 30<sup>th</sup> March). This payment is an advance payment to support any impact upon the cashflow to a provider's business whilst we move through these uncertain times.</li> </ol> <p>The forward payment is recoverable. The recovery of the forward payment will be reviewed in 3 months. No definite arrangements have been made as yet, but recovery will not be made before September. We will ensure that you are kept fully informed.</p> <p>With regard to the extra costs of Covid-19, we are committed as a Council to cover this. Current guidance suggests 10% increase in April and then reviewed nationally and locally. Leicestershire County Council's preference is to keep to national guidance. We are working on</p>

			the detail of this payment for home care providers and will issue this as soon as it is available
16	Could you confirm that the 4 week forward payment will be received this week, as per your Issue 5 Coronavirus Information it states that the funds would be initiated week ending 3rd April	Home Care	The forward payment calculation was initiated in accordance with the Guidance. It will be paid into the home care provider bank accounts on Friday 17 <sup>th</sup> April.
17	It is clear that the “8-week loan” payment will be clawed back no sooner than September, but it wasn’t specifically made clear that the top-up payments are definitely not going to be clawed back. This is our expectation because the money is to pay for carers we are deliberately releasing from chargeable work so they are available to facilitate fast discharges to homecare. Can you confirm please	Home Care	<p>During a period of financial instability, we wish to give some certainty to the level of income that home care providers can earn. This will hopefully benefit providers who are concerned about a temporary reduction in the number of ‘low-risk’ packages. A guarantee is being put in place that the hours offered, for the next four payment periods, to each provider will not fall below a base level. An additional ‘top up’ payment will be calculated using planned hours, for a pre-Covid base 4-week care period, to make a ‘top-up’ where the current payment care period planned and actual hours are lower than the base period. Hence, not all providers will require this payment.</p> <p>For the 4-weekly care period 23<sup>rd</sup> March to 19<sup>th</sup> April, and the three subsequent care periods up to 12<sup>th</sup> July 2020, we are calculating an Additional / Top Up Payment for each home care provider.</p> <p>The base 4-weekly care period will be 27<sup>th</sup> January – 23<sup>rd</sup> February.</p> <p>The first additional payment is intended to align closely with the scheduled payment date, with the first calculation expected for week commencing 18<sup>th</sup> May to reflect the first of four care periods 23<sup>rd</sup> March to 19<sup>th</sup> April.</p> <p>Where an additional ‘Top Up’ payment is made:</p>

			<ul style="list-style-type: none"> <li>○ It will be paid into the bank account that we currently use to pay the 4-weekly scheduled payment</li> <li>○ Your payment remittance will not be available via the Provider Portal, but the receipt of payment Leicestershire County Council has made will be emailed to you by the Finance Shared Service to your usual email address.</li> <li>○ The payment will be one payment, with no value broken down by Service User.</li> <li>○ It is not a recoverable payment</li> </ul>
18	You have said you want actuals - we don't use Electronic Home care monitoring so it is not easy for us to submit these. What do you suggest instead?	Supported Living	<p>Electronic Home Care monitoring is only used for the recording of home care and extra care service delivery.</p> <p>Since 20<sup>th</sup> January 2020, a provider delivering a supported living service will record and submit a Service Receipt via Sproc.net (Adam), which will generate the payment against the commissioned package. The Actual hours of care delivered will be recorded on the Service Receipt.</p>
19	If we have to increase hours - such as with day centre closures we will invoice for these?	Supported Living	If you need to increase hours for any reason then use the normal process for this which is to contact us to discuss, consider and agree.
20	What happens to direct payments procedures and service provider invoicing if our family members are at home for an extended period? Do we need to inform Social Services, or are you already in touch with them about this?	Direct Payments	If you are self-isolating and have cancelled your care services, you can take a break from paying your weekly contribution if you have no care bills to pay for that week. Direct payment holders have been advised in a bulletin issued on 14 <sup>th</sup> April not to contact the Council to stop your direct payment in these circumstances. We will continue to pay money into the direct payment account every four weeks as this will enable a direct payment holder to re-start care when things get back to normal. When we review the direct payment and care, we will take back any balance that has built up in excess of the 4 weeks paid in advance.

### **Online resources and support**

Finally I would like remind you that we do have a dedicated area on our [website](#) for providers which is constantly being updated, which includes details of our weekly provider teleconferences and the Provider Communication Line.

Thank you for your continued support.

Yours sincerely

Jon Wilson

Director of Adults & Communities