



Information

for adult social care providers

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Issue 14

Special finance update – 22 April

Dear colleague,

We have already covered financial matters in several of our previous bulletins but we wanted to take this opportunity to update you on some of the more specific details around payments. We have broken this down by provider type, to help you to quickly access the information most relevant to you.

General – All Providers

Throughout this period it is expected that providers access Government support to the fullest extent possible. Please see the [latest government guidance](#).

It is also expected that the benefit of local and national financial interventions are passed on to subcontractors.

Non-Residential Providers

Forward Payment

To support the non-residential provider's cashflow we have moved the current position of payment in arrears to payment in advance of care being delivered.

This has been achieved by a Forward Payment being made in April equivalent to two 4-week care periods, in addition to the usual scheduled payment.

The basis of the Forward Payment will reflect double the cost of the planned care packages recorded as at Monday 30 March 2020, for the four-week care period 23 March – 19 April 2020.

Unless a provider has notified Finance Operations to decline the payment, the 'forward-payment' will be paid into the bank account that is currently used by Leicestershire County Council (LCC) to pay the usual scheduled payment for home care and CLC day care providers. It was paid on Friday 17 April.

The payment remittance will not be available via the Provider Portal, but the receipt of the payment LCC has made will be emailed to each provider by the Finance

Shared Service to the usual email address. The payment will be one payment, with no value broken down by Service User.

Similarly, for supported living providers, unless notification was received by Finance Operations not to pay, the payment will be made to the provider by Adam HTT Limited on 24 April using the bank account details they hold. The payment will be one payment, with no value broken down by Service User. The remittance will be received from Adam HTT Limited as per an e-billing notification.

This is a temporary payment that is recoverable but not before September. We will undertake a review in 3 months and will keep providers fully informed on the recovery arrangements after our review.

Community Life Choices (CLC) Day Service Providers

Scheduled Payment 24 February – 22 March

This was paid on Friday 17 April.

Scheduled Payment 23 March – 19 April

Where the alternative service (described in the Risk Assessment that has been prepared by providers) has been delivered and received by the service user, the provider can claim the actual units based on the commissioned care for this 4-week care period. A payment will not be made where the service has been declined by / not delivered to the service user.

This will be paid on Friday 15 May.

Scheduled Payment 20 April – 17 May

The Risk Assessment that has been prepared by providers describes the alternative service(s) for each Service User. Whilst work is being completed by LCC to sign off the Risk Assessments submitted by each provider and agree the alternative services, the same arrangements for the submission of payment files will continue. As each Risk Assessment is signed off and returned to the provider, these will become the basis for the service we are expecting that can be used by a provider to claim the commissioned 'units' where the delivered services have been received by the Service User.

Other 'short term' Financial Support Arrangements

The County Council wants to ensure that CLC day service providers will still be able to operate when the current crisis is over and normal services are resumed, whilst seeking to minimise the financial call on LCC and to optimise the government schemes that are available.

We need to ensure that with the additional government funding, the financial support remains affordable for the council, recognising that CLC is an important service to maintain continuity, and being mindful that LCC cannot give unlimited financial

support to the provider sector. In managing the financial resource, we cannot pay for staff where there is less demand and where staff aren't being utilised for the provision of the risk assessed service delivery or for an approved set of mutual aid, we would therefore expect staff to be furloughed.

For people on a Direct Payment it is expected that a risk assessment will have been carried out and a revised support plan agreed. They should then be invoiced on the actual service received, based on this risk assessment. Individuals who are no longer receiving any services will not be expected to pay for services.

Additional financial support arrangements linked to retention will be worked through drawing on the above principles and expectations on the provider to take all reasonable steps to reduce costs, including the furloughing of staff; drawing on government support; and working with the authority around mutual aid. It will be for a short period to help retain the business for critical suppliers of the authority, to enable work to resume when the COVID-19 crisis is over.

To facilitate formulating the arrangements for financial support to retain services, there is a set of questions issued to each provider to complete and return to Sarah Rogers (sarah.rogers@leics.gov.uk) week commencing 20 April. These questions aim to understand the provider business model around number of staff employed and furloughed, numbers of Service Users, number of sessions and revenue related to three cohorts:

- CLC Framework
- Direct Payments (LCC Service Users)
- Private Market (non LCC Direct Payment Service Users)

Home Care Providers

Scheduled Payment 24 February – 22 March

This was paid on Friday 17 April.

Scheduled Payment 23 March – 19 April

This will be claimed on actuals each week to reflect the care service delivered.

This will be paid on Friday 15 May.

Scheduled Payment 20 April – 17 May

This will be claimed on actuals each week to reflect the care service delivered.

Top-Up Payment (if required)

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. Some of this concern may be related to where we have asked providers to RAG rate calls and contact service users to cease providing the support to green-rated calls. We are hoping that family or others, possibly volunteer services, can support. The reason for this was to create additional immediate capacity to support the move of people out of hospital. The payment for these would be included within the calculation of the 'Top-Up' as this is a guarantee being put into place that the hours offered, for the next four payment periods, to each provider will not fall below a base level.

A '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.

For the 4-weekly care period 23 March to 19 April, and the three subsequent care periods up to 12 July 2020, we are calculating an Additional / Top Up Payment for each home care provider.

The base 4-weekly care period will be 27 January – 23 February.

The first additional payment is intended to align closely with the scheduled payment date, with the first calculation expected for week commencing 18 May to reflect the first of four care periods 23 March to 19 April.

Where an Additional Payment is made:

- It will be paid into the bank account that we currently use to pay the usual 4-weekly scheduled payment
- Your payment remittance will not be available via the Provider Portal, but the receipt of payment LCC has made will be emailed to you by the Finance Shared Service to your usual email address
- The payment will be one payment, with no value broken down by Service User

Additional COVID-19 Costs

With regard to the extra costs of COVID-19, for April we will calculate a payment based on 10% of planned care for the 4-week care period 6 April – 3 May. This payment calculation will be initiated on 20 April and we will inform shortly on the actual payment date. It will be made as one payment with no value broken down by Service User.

Residential Services

Forward Payment

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 April – 3 May.

The forward payment is recoverable. The recovery of the 'forward payment' will be reviewed in 3 months. No definite arrangements have been made at present but recovery will not be made before September. We will ensure that you are kept fully informed.

Scheduled Payment 23 March – 19 April

This was paid on 6 April.

Additional COVID-19 Costs

With regard to the extra costs of COVID-19, we will calculate a 10% payment for April using the planned care for banded rates. We will use planned banded rate care for the 4-week care period 6 April – 3 May as recorded on Monday 20 April. This payment calculation will be initiated on 20 April and we will inform shortly on the actual payment date. It will be made as one payment with no value broken down by Service User.

Yours sincerely

Jon Wilson
Director of Adults & Communities