Social Care Fees

The purpose of this bulletin is to inform providers of the inflationary increases for social care services for the financial year 2020/21. Details of arrangements for each service area are detailed below. These inflationary increases were presented to Full Council in February 2020. Please read this information carefully so that you understand what this means for your service.

Consultation has taken place and the ICG has set out the case for future funding. Since consultation increased difficulties in recruitment and the increase in National Living Wage have placed additional pressures on the sector. The ICG has asked for more funds in light of this, as and when these become available. The ICG does understand the immediate pressures and response to COVID-19 have significantly changed the focus and priorities at this time.

There will be information shared in the coming days and weeks regarding additional funding available for the social care market to support providers and their staff through the COVID-19 pandemic. This information will be shared separately, in an attempt to keep the arrangements focused and clear. The current situation will impact on our collective ability to deliver on all of these arrangements, however we will try to implement any changes as soon as possible and will provide updates on what is happening when.

Contractually the Council has a commitment to review fee levels on an annual basis. The Council has always had an obligation to take account of the market pressures and to consult with providers on fee levels but from April 2015 new statutory responsibilities under the Care Act 2014 require the Council to shape and sustain its markets.

Therefore, in the final year before the recommendations from the new Actual Cost of Care exercise are expected to take effect, consultation has taken place with providers through the Independent Care Group (ICG) and an agreed way forward is set out in section 3 below which moves away from a universal rate.

**Care Homes and Care Homes with Nursing for Older People**

The following increases will apply from Monday 6 April 2020.

- All care homes in North Yorkshire £579.04 per week. This is based on the rate for 2019/20 plus 4%.
- All care homes with nursing in North Yorkshire £572.39 per week (plus the appropriate level of Funded Nursing Care (FNC) which has been subject to a national review). This is based on the rate for 2019/20 plus 4%.
- For care homes and care homes with nursing for Older People in North Yorkshire where current fee levels are below £750.01 per week these will be subject to an inflationary increase of 4%. This will reflect that the current fee levels are already at a level that meet additional costs including living wage.
- For care homes and care homes with nursing for Older People in North Yorkshire where current fee levels are above £750.00 per week these will be subject to an inflationary increase of 1.5%. This will reflect that the current fee levels are already at a level that meet additional costs including living wage.

For out of county care home and nursing home placements for older people NYCC will honour an uplift agreed by the host local authority where they have undertaken an Actual Cost of Care exercise, and will consider individual business cases where there is no Actual Cost of Care exercise in place.
All fee levels quoted exclude Funded Nursing Care, which is at a national rate of £165.56 per week. You will receive schedules in due course, from BACs teams, which will detail any amendments to payments.

**Specialist Placements in Care Homes and Care Homes with Nursing**
- For specialist placements in care homes and care homes with nursing where current fee levels are below £750.01 per week these will be subject to an inflationary increase of 4%. This will reflect that the current fee levels are already at a level that meet additional costs including living wage.
- For specialist placements in care homes and care homes with nursing where current fee levels are above £750.00 per week these will be subject to an inflationary increase of 1.5%. This will reflect that the current fee levels are already at a level that meet additional costs including living wage.

**Domiciliary Care For Adults And Older People In North Yorkshire, Including Supported Living**
The increase for domiciliary care and supported living for adults and older people in North Yorkshire is flat rate increase of 60p per hour on current rates.
- For packages commissioned after Sunday 6 April 2020 and where new rates have been set to apply after Sunday 6 April 2020, no further increase will be applied, for example new applications to the provider list.
- This increase takes into account increases in living wages and general inflation.
- The increase of 60p per hour will apply from Monday 6 April 2020.

Where providers use the e-invoicing system, their e-invoicing spreadsheet will be amended with new rates. Schedules detailing changes will be provided in place of Individual Service Contracts (ISCs). For providers who do not use e-invoicing revised ISCs will be issued as soon as possible so that you can invoice for services delivered after Sunday 5 April 2020 at the correct rate. Providers should not amend the rates on their invoices until they have received amended ISCs.

**Community Based Services for Adults and Older People**
The proposed increase for community based services for Adults and Older People is:
- Community-based care providers for adults and older people in North Yorkshire: 3% increase on current rates.
- For individual support packages commissioned from the new Provider List, the new agreed rates set through that process will apply, where rates have been agreed after 5 April 2019.
- For services purchased via block contract arrangements there would be an increase of 3%, except where the contract terms dictate an alternative inflation mechanism.
- This increase takes into account increases to living wage rates.

For the purposes of these increases, community based services are:
- Day care;
- Supported employment services;
- Supporting people services;
- Other non-regulated services.

Where providers use the e-invoicing system, their e-invoicing spreadsheet will be amended with new rates. Schedules detailing changes will be provided in place of Individual Service Contracts (ISCs). For providers who do not use e-invoicing revised ISCs will be issued as soon as possible so that you can invoice for services delivered after 5 April 2020 at the correct rate. Providers should not amend the rates on their invoices until they have received amended ISCs.

In addition, the Council will make available up to £500,000 for any existing providers on the HAS Approved Provider Lists to invest in technology with a view to enabling efficiencies in the future. Details of how to access this funding will be provided in due course, once we have entered the recovery phase of the COVID-19 Pandemic.

To support cash flow for organisations future payments for all service types, excluding those on block contracts where alternative arrangements are in place, will be made four weeks in advance with retrospective reconciliation, where necessary. This will be introduced in the next 2 weeks for residential, nursing, domiciliary and supported living services. This will be the priority, in terms of work flow, to ensure that payments are reaching providers quickly.

For residential & nursing homes – payments for Period 1 were made on the basis of 2 weeks in arrears and two weeks in advance. Therefore, providers will, in effect, be paid in advance from 30 March 2020. The payment for Period 2 will be made on 13 April 2020, covering the period from 13 April for the following 4 weekly period. Providers will be sent details of what they have been paid and retrospective adjustments will be made in light of in period activity using a revised Occupancy & Activity return.
For domiciliary and supported living services – Period 13 will be paid as normal. The move to advance payments will be processed through e-invoicing for Period 1 (30/03/2020 – 26/04/2020) and should be paid by 20 April 2020. Payments will be made on the basis of planned care. From this point on all payments will be processed on a 4 weekly period in advance with Period 2 starting on 27 April 2020. Providers who are still paid on invoice will be asked to submit 4 weekly invoices based on planned care and they will be processed for payment immediately for Period 1 and at the start of the period from Period 2 unless they move to e-invoicing arrangements. In normal circumstances a reconciliation of planned care versus actual delivery will be undertaken.

Until further notice Providers will submit actuals, including where capacity has been utilised as a result of delivering care differently, other capacity has been made available or their staff have been deployed elsewhere. Retrospective reconciliation will take place based on total hours to ensure that significant overpayments are not being made. Where there is minimal different between planned care and delivered care, including using staff differently, no action will be taken. Where there is a more substantial difference excess funding may be recouped.

The move to payments in advance was going to be included in the ABC project. As a result of COVID-19 this work has been escalated, albeit with a simplified process. All other elements of the ABC project have paused to allow staff and providers to focus on the COVID-19 response. As a result when we enter the recovery phase we will review the temporary arrangements which have been implemented and identify any aspects which need to be amended. This will be clarified when appropriate.

**CHC/S117 Packages/Placements**

The CHC/S117 increases for 2020/21 for jointly funded cases in Hambleton, Richmondshire & Whitby CCG, Scarborough & Ryedale CCG and Harrogate and Rural District CCG areas will match the increases agreed by the Council. For cases within the North Yorkshire County Council boundary which are jointly funded with Vale of York CCG will match the increases agreed by the Council. Where the case is jointly funded with Airedale, Wharfedale & Craven CCG the increase is yet to be confirm. These increases will be applied with the Council’s adjustments.

Due to the current levels of activity we will progress the work on payments in advance, as described earlier. We will then share a timetable for progressing the payment of inflationary increases. We will endeavour to complete this work as quickly as possible, within existing resources. We will share this timetable as soon as we can.