



Please ask for:
Direct Line:
E-mail: [@leicester.gov.uk](mailto:leicester@leicester.gov.uk)
Date: 30th March 2020

Dear Provider,

Re: Residential and Nursing Care Provision

The purpose of this letter is to update contracted Providers on a number of matters relating to the provision of residential and nursing care services and in particular to set out details in relation to the ongoing situation relating to COVID-19.

- 2020/21 Fee Uplift – Inflationary Increases To be Applied From April 2020

In February 2020 Leicester City Council wrote to all Adult Social Care Providers who the Council contract with for the provision of residential and nursing Care to advise that in accordance with Clause 7.7 of the Core Agreement, the Council intended to launch a consultation on proposals to apply inflationary increases to the fees paid through banded rates and additional needs allowance payments.

Following the closure of the consultation process on 6th March 2020 and having due regard for the collective responses received as part of that consultation, the Council has now finalised its proposals for increasing residential and nursing care contract payment rates for 2020/21 for existing and future core business.

Set out below are details on the outcome of the 2020/21 fees review and confirmation of arrangements to apply inflationary increases to fees, effective from 6th April 2020.

In summary:

1. **Banded Rates** – locality placements (i.e. those placements made within the City boundary). These fee rates will be increased by an average of **5.60%**. This represents an increase to the original pre-consultation inflationary uplift proposal of 4.99%. The revised fee rates are set out in the table below:

Residential & Nursing Bands	Weekly Banded Rate 2019/20	Finalised Weekly Banded Rate 2020/21
Mental Illness/Drug or Alcohol Dependency	£456	£480
Dependent Older People	£508	£536
Learning Disability	£517	£546
Highly Dependent People/Physical Disability	£572	£605
Nursing Band – Accommodation & Personal Elements	£540	£571

2. **Additional Needs Allowances (ANA)** payments - Existing ANA payments for locality placements will be increased by **6.24%** in line with the original consultation proposal.

3. **Out-of-locality placements** (placements made in care homes outside the City boundary):
- a. **Banded fee** payments for existing placements will be increased by an average of **5.60%**, this again represents an increase to the original pre-consultation inflationary uplift proposal of 4.99%
 - b. **Additional Needs Allowances (ANA)** payments for existing placements will be increased by **6.24%** in line with the original consultation proposal.

- **Arrangements to pay uplifted fee rates effective from 6th April 2020**

As a result of the above decision the Council will make arrangements to amend fee rates for existing placements within the usual 4-weekly payment system as appropriate. Increased payments will be made unless there is a pre-existing contractual arrangement or fee agreement in place with a Provider for any existing placement(s) which overrides this inflationary amendment to fees.

In summary:

1. The uplifted 2020/21 weekly fee rates will be set up to be paid automatically for relevant existing placements through the Council's on-going payment system (ContrOCC) as part of the usual 4-weekly payment cycle.
2. Whilst the new fee rates will be effective from 06/04/2020, the latest 4-weekly payment run covering the period to 12/04/2020 has already been processed at existing 2019/20 fee rates.
3. Therefore, the next 4-weekly payment run covering the period 13/04/2020 to 10/05/2020 (which will be run on (or around) w/c 20/04/2020) will make payments at the new 2020/21 fee rates and will also pay applicable arrears for the period 06/04/2020 to 12/04/2020.

- **Supplier Relief Due To COVID-19**

It is recognised that the current outbreak of COVID-19 is unprecedented and will have a significant impact on Provider business continuity plans. The Cabinet Office have issued guidance (Action Note PPN 02/20) which sets out information and guidance for public bodies on payment of their suppliers to ensure service continuity during and after the current coronavirus, COVID-19, outbreak

This includes assistance, where Providers are experiencing additional costs attributable to the impact of COVID-19. If you are experiencing such costs in relation to the contracted services you are continuing to supply (i.e. business as usual), you may submit a claim for support with these costs. Any such claim for costs will need to be articulated clearly and via a separate invoice.

Such invoices should:

1. Clearly articulate the origin of the additional costs and must be transparent - i.e. the Cabinet Office guidance is clear in that suppliers in receipt of public funds must agree to operate on an 'open book' basis. This means you must make available to the Council any data and supporting information, as required and requested to demonstrate the payments made to you under contract have been used in the manner intended. Where this is found not to be the case, the Council will take action to recover payments made.
2. Be sent on a 4-weekly basis (i.e. the same frequency that usual automated payments are made by the Council for residential and nursing care fee payments) to the email address: Fees.carehomes@leicester.gov.uk and marked for the attention of Matt Cooper - Adult Social Care - Contracts and Assurance Business Manager.
3. Cease once the impact of the COVID-19 outbreak on the relevant contracted service delivery is over.

If you have any questions regarding the content of this letter then can I please ask you to direct these to the Adult Social Care - Contracts and Assurance Business Manager, Matt Cooper at: Matthew.cooper@leicester.gov.uk .

Yours sincerely

A handwritten signature in black ink, appearing to read 'T. E. Rees', with a horizontal line underneath.

Tracie Rees
Director – Adult Social Care and Commissioning
Social Care & Education