

SHEFFIELD CITY COUNCIL

INDIVIDUAL CABINET MEMBER DECISION RECORD

The following decision was taken on 11 March 2020 by the Cabinet Member for Health and Social Care.

Date notified to all members: 11 March 2020

The end of the call-in period is 4:00 pm on 17 March 2020

Unless called-in, the decision can be implemented from 18 March 2020

1. TITLE

Care Home Payment Model Change Implementation

2. DECISION TAKEN

That the Council will move to implement a new care home payment model which will allow the Council, and the care homes with which it contracts, to make a transition whereby care homes are paid their fee gross by the Council as opposed to net of the resident's contribution, and care home residents are charged their contribution by the City Council as opposed to their care home.

That this change will not affect the payment arrangements currently in place between the Council and the Care Homes with which it contracts.

That when the Council begins the new process of raising invoices for care home residents these will be raised once a month, every four or five weeks, in arrears.

That, under the new arrangements, third party top up payments will also be paid directly to the Council.

That the anticipated transition to the new arrangements will be September 2020 with authority delegated to the Director of Adult Social Care to decide the exact date once further detailed engagement with the sector has been undertaken.

3. Reasons For Decision

- 1 This change will ensure the Council's processes are compliant with National Statutory Guidance.
- 2 Switching to an arrangement whereby the Council pays providers gross and charges the resident directly will ensure that charges to vulnerable people are within Local Authority control.
- 3 The arrangement will provide care homes with greater financial assurance and will also reduce the administrative burden on care homes associated with charging and debt recovery.

- 4 Invoices raised by the Council to 3rd parties (normally family members) for third party top ups, will ensure the Council is in line with the statutory guidance and within the spirit of the Care Act. This will reduce the risk of care homes inappropriately introducing an additional charge or of increasing charges without due negotiation.
- 5 In recognition of the cash flow concerns raised by some providers the Council is not currently minded to change its payment terms to Care Homes as a result of the proposed changes. This means that providers will continue to be paid four weekly, two weeks in advance and two weeks in arrears. The only difference being that their payment will be for the full (gross) fee as opposed to it being net of any contribution from the individual.
- 6 Under the new arrangements the Council will raise invoices to residents monthly, every four or five weeks, in arrears for care contributions. For two months each quarter the invoices will cover four weeks, and every third month will be a five week period. Invoices will be raised at the end of the period in question. This will largely be in line with Homecare charging and will help with the transition from people moving from Homecare to Care Homes.
- 7 Under the new arrangements the Council will raise invoices to 3rd parties (normally family members) for third party top ups every four or five weeks in arrears. For two months each quarter the invoices will cover four weeks, and every third month will be a five week period. Invoices will be raised at the end of the period in question. This will be in line with invoicing arrangements for care contributions, ensuring a consistent approach.

4. Alternatives Considered And Rejected

- 1 In order to better protect vulnerable people with the cost of care the Council might consider simply strengthening the existing controls and monitoring arrangements with Care Homes. However, it is felt that the recommended proposal will better support individuals and care homes as well as reflecting the Statutory Guidance.
- 2 Under legislation there are other options that have been considered with regards to the arrangements for charging and collecting income from third parties. The Care Act states that where all parties are in agreement the local authority may choose to allow the person to pay the provider directly for the 'top up' where this is permitted. However, in doing so it must be remembered that multiple contracts risk confusion and that the local authority may be unable to assure itself that it is meeting its responsibilities under the additional cost provisions in the Care Act. Having the third party top up being paid to the Council will ensure we are fully compliant with both the letter and spirit of the Care Act, while providing the best service to residents and their families.

- 3 Other options were considered for payment and charging arrangements within the proposed new care home payment model. However it was considered important to align provider payment arrangements with existing practice and contractual terms, while aligning charging for care contributions and third party top ups to current Homecare practice, ensuring a consistent and transparent transition for people moving from Homecare to a Care Home setting.

5. **Any Interest Declared or Dispensation Granted**

None

6. **Respective Director Responsible for Implementation**

Executive Director, People Services

7. **Relevant Scrutiny Committee If Decision Called In**

Healthier Communities and Adult Social Care Scrutiny Committee