**Annex 6 – Payment Schedule for Home Care Services**

1. **Payment level for Home Care Services**
   1. Prices are exclusive of VAT
   2. Prices include all expenses incurred by the Main Provider’s staff in relation to their visits to service users. This includes, but is not limited to, parking costs and any travel costs incurred by Main Provider’s staff to and from visits.

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| **Days** | **Time Period** | **Rates** |
| Every day of the year  (including weekends and bank holidays) | 06.00 – 23.00 | Rates agreed by the Main Provider and the Council for  home care services delivered in that zone |

* 1. A separate contractual arrangement and separate payment schedule will be in place for Home care services delivered from 23.01pm – 05.59am, to include planned and unplanned visits, waking nights and sleeping nights.

1. **Payment mechanism for Home Care Services**
   1. Maximising Independence Outcomes
2. Main Providers will be paid at their agreed rate for the commissioned level of service
3. Main Providers will continue to be paid at the commissioned level of service for the length of the sustainability period (4 weeks unless stated otherwise in the Support Plan).
4. Where a Main Provider achieves an outcome and the actual level of service they have provided to achieve this outcome has exceeded the commissioned level of service for the same period, the Council will make a single one-off payment to the Main Provider equal to the difference in the two amounts.
   1. Maintenance Outcomes
5. Main Providers will be paid the actual level of service recorded on EMS (in line with EMS Guidance Document) and where they deliver 90-110% of the commissioned level of service in a 4-week payment period.
   1. Unplanned service
6. Where a Main Provider delivers a service that is not planned and not part of the Support Plan, they will receive payment for the actual level of service (to the nearest minute) at their agreed rate.
7. **Payment process for Home Care Services**
   1. Full details of the payment process, including dates of payments and how these will made to Main Providers, will be shared before the commencement of the contract.
8. **Payment review process for Home Care Services**
   1. The Council will review the payment schedule for home care services (this document) on an annual basis. The first review of this document will be completed by 31st March 2017 and will come into effect from April 1st 2018. This process will be repeated in each subsequent year during the term of the contract.
   2. For each subsequent annual review of the payment schedule, the Main Provider may review the agreed rate and all other aspects of the Payment Schedule to take into account changes in costs over the previous twelve month period and may apply for an increase in the agreed rate but not by more than the percentage increase (if any) in the Retail Price Index excluding Mortgage Payments (RPI X) since the previous payment review process.
   3. If the Main Provider wishes to exercise its right to review any aspect of the payment schedule, it must do so and must communicate the revised rates and prices to the Council’s Representative with a written justification as to how the review is calculated within six weeks of the date when any new payment schedule would come into effect. Otherwise the right to review rates and prices for that year will lapse.
   4. The payment review process will include discussion at one or more Home Care Partnership Group meeting and one or more Contract Review Meeting prior to the agreement of the payment schedule for the forthcoming year.
   5. Main Provider performance (as measured in the PMF) will be a key component of any future payment review mechanism. Main Providers must be aware that the outcome of any price review, and the payment terms that they subsequently receive, may be affected by their level of performance against the PMF. In the most extreme examples, Main Providers may receive less favourable payment terms than they would have received had their performance been higher.
   6. The final decision on all aspects of the payment schedule will be made by the Council, who reserve the right not to change the payment schedule.
   7. The payment review will consider the following aspects of this contract:
9. Agreed rate agreed between each Main Provider and the Council. This review will be linked to the RPI X.
10. For maximising independence outcomes, the length of the sustainability period and the payment the Council makes to Main Providers connected to this.
11. For maximising independence outcomes, the use and level of payment made by the Council to Main Providers where the cost of the actual level of service exceeds the income from payment for the commissioned level of service.
    1. The Council is making a commitment in relation to the 2016/17 payment review. All Main Providers, and for each zone in which they operate, will receive a percentage increase to their agreed rate, equivalent to the percentage increase of the RPI X over the period 2015/16. This increase will come into effect from 1st April 2016 and will not exceed £14.20.
    2. This is a standalone commitment that is not affected by any other changes that the Council may, or will, make as part of the 2016/17 price review.
    3. Here is an example of the impact on home care rates, based on a RPIX X of 3%:
12. Agreed rate is £13.00 – RPI X will increase this rate by 39 pence, giving a new rate for 2016/17 of £13.39.
13. Agreed rate is £14.00 – RPI X will increase this rate by 42 pence. However, as the increase is capped at £14.20, the new rate the Main Provider will receive for 2016/17 is £14.20.
    1. From each subsequent annual anniversary of the date of commencement of the Contract Period the Main Provider may review the hourly rates in the Payment Schedule to take into account changes in costs over the twelve month period since the previous anniversary and may apply for an increase in the agreed rate but not by more than the percentage increase (if any) in the RPI X since the previous annual anniversary.
    2. If the Main Provider wishes to exercise its right to review any rates or prices under the Payment Schedule, it must do so and must communicate the revised rates and prices to the Council’s Representative with a written justification as to how the review is calculated within six weeks of the annual anniversary. Otherwise the right to review rates and prices for that year will lapse.
    3. The Council’s Representative may accept or decline the Main Provider increase in writing.