

Surrey County Council
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Kingston-upon-Thames
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asc.covid19@surreycc.gov.uk

Date: 8th April 2020

ADULT SOCIAL CARE COVID-19 FINANCIAL SUPPORT OFFER TO CARE PROVIDERS FOLLOW UP

Dear Sir/Madam,

This letter is a follow up to the letter sent on 27th March 2020 which set out the Council's response to support social care providers during the COVID-19 (C19) pandemic. A copy of that previous letter is enclosed here for your reference.

Surrey County Council (SCC) recognises that the C19 outbreak is placing enormous challenges on care providers that the Council commissions care and support services from. We would like to express our sincere thanks to all providers who continue to provide vital services to vulnerable residents in these very challenging circumstances.

This letter has three main purposes:

- 1) To remind care providers of the framework of support agreed for each care sector as set out the letter sent on 27th March, and to confirm the process for care providers to follow, where relevant, to apply for support within this framework.
- 2) To clarify SCC's position in relation to fee changes during the C19 crisis.
- 3) To confirm how care providers can apply to SCC for support in relation to additional financial pressures that your organisation may be facing due to C19, and to set out SCC's expectations in awarding financial support.

1) Reminder of support offer to social care providers

Home care

- Payment on account for the period 23rd March 2020 – 28th June 2020 to support providers' cash flow.
- Providers to continue to submit invoices for actual care delivered in this period.
- If the value of actual services delivered in this period is higher than the payment on account, then SCC will pay the difference, with payments commencing as soon as the payment on account value is exceeded by the value of actual services billed.
- If the value of actual services delivered is less than the payment on account, providers will keep the difference. This is on the express conditions that providers continue to pay their staff for the delivery of planned care where this is less than actual hours in the period (in order to support workforce retention), and providers are responsive to the needs of SCC during the C19 pandemic, including responding promptly to hospital discharge requests
- Normal payments to commence from 29th June 2020 onwards, unless it is agreed further extraordinary action is required in light of the latest status of the pandemic at this time.

If home care providers face additional costs at organisational level then they will be able to submit a claim for SCC to consider these as set out in section 3 below. Given the significant payment on account though (which SCC has committed to not clawing back), SCC would not generally expect home care providers to need to submit such claims for

additional support until towards the end of the first quarter of 2020/21 (certainly where home care is the only support commissioned from a provider by SCC).

Day care

- SCC will continue to pay at current agreed prices and levels of care where day care services continue to be delivered (whether they are delivered in the normal way or some alternative form).
- If the cost of alternative provision is demonstrably greater than the cost of normal service provision, then these costs should be added to invoices and SCC expects to pay these costs.
- SCC is willing to offer payments on account for the period April to June 2020 in line with home care providers. If your organisation is continuing to provide a form of day care during this period and you would like a payment on account, then please complete the attached claim form and we will arrange this.
- Where day care services are closed and not being delivered on an alternative basis, then providers should not send invoices for these services. This is in line with the overarching principle of SCC continuing to pay for services at an individual client level based on actual services provided.
- If the closure of day care services creates significant financial pressures for your organisation, for instance because costs are still incurred but income is not forthcoming, then please complete the attached claim form and SCC will consider making a payment equivalent to the amount day care providers would normally have been paid for the period April to June 2020 (taking into account any other support providers are able to access, e.g. from central government). This payment would be made on the basis that providers continue to pay their staff and make them available for redeployment to support the delivery of other forms of care.

Residential, nursing and supported living care services

- Payments to continue to be made based on the current agreed care plan.
- If the level of care delivered reduces due to circumstances in this period, then SCC will not reduce payments to providers.
- If the level of care required to support specific individuals significantly increases then providers should complete the attached claim form and provide a schedule setting out the additional costs for each individual. SCC will review this and make arrangements to pay increased costs at an organisational level. This will avoid the need to temporarily change people's care plans during the C19 crisis. Levels of ongoing support can then be reviewed following the end of the C19 crisis.
- Where an individual is absent from a care setting because they choose to self-isolate with their family at home, SCC will continue to pay the current agreed cost for the care package through the monthly automatic schedule payments.
- Payments for all other absences (e.g. admissions to hospital) and permanent ceases (e.g. an individual passing away) will be made in the normal way at an individual client level. If however void periods during the C19 pandemic lead to significant financial pressures for providers, then providers should complete the attached claim form and SCC will consider making a payment in relation to these pressures.

Providers who under normal circumstances enter into sub-contracting arrangements with other providers, for example to ensure the provision of stimulating day activities, are encouraged to sustain these arrangements wherever activities continue to be provided using alternative means (e.g. virtual platforms etc.) in order to ensure a buoyant market is sustained.

All other forms of care

This includes a range of support services in the community including outreach, short term breaks and extra care housing. The same general principles apply for these services:

- Providers should only invoice based on actual services delivered.
- Payments on account for April to June 2020 will be considered upon request where services continue to be delivered. If a provider wishes to request a payment on account then they should complete the attached claim form.
- If services are not delivered and this causes financial pressures, then providers are asked to please complete the attached claim form and SCC will consider make a payment equivalent to the amount care providers would normally have been paid for the period April to June 2020 (taking into account any other support providers are able to access, e.g. from central government). This payment would be made on the basis that providers continue to pay their staff and make them available for redeployment to support the delivery of other forms of care.

2) SCC fees during the C19 crisis

As set out in the letter sent on 27th March and confirmed in section 1 above, SCC will meet the cost of additional support required for specific individuals during the C19 crisis. SCC has also agreed that care providers can increase levels of support during this period by up to 15% without the need to gain prior approval from SCC in the normal way. This is to ensure care providers can remain agile in how they respond to meeting people's need in these unprecedented times.

The underlying rates that SCC pays for care services though will remain the same during the period of the C19 crisis. Please do not submit invoices at increased fee levels in an attempt to seek payment for additional costs your organisation may be facing due to C19. If individuals you support require increased levels of care then the increased support required will be paid by SCC as set out in section 1 above. The fee levels in place from 1st April 2020 though (including any increases to fees agreed for 2020/21), will remain the same.

Rate amendments will not be considered due to the often changing demand within services at this time and of course the resource required to assess each change and revert fees back to pre-COVID-19 rates after this pandemic. Short to medium term financial risks to provider businesses will be met through our existing offer set out in section 1 above and the claims process set out in section 3 below.

3) Additional financial pressures incurred due to C19

If your organisation is experiencing additional financial pressures impacting on the continuity of your service delivery or threatening the sustainability of your organisation that you do not believe are addressed by the measures set out in section 1 above, then we would please ask that you complete the attached claim form.

SCC will take the following factors into account in assessing claims for additional payments:

- Evidence that costs are clearly caused by factors pertaining to the C19 pandemic and are additional to normal operating costs. We would expect that additional payments requested will clearly relate to activities providers have undertaken to support SCC and Surrey residents during the C19 crisis.
- Confirmation of the actual additional financial pressures incurred to date. Generally speaking where SCC agrees an additional payment, this will be to reimburse providers

for financial pressures that have been incurred up to the date of a claim. If you require more immediate support with your cash flow, then SCC is prepared to make a payment on account as set out in section 1 above to help mitigate these immediate challenges. On this basis, we would not therefore expect to receive many claims in relation to additional organisational financial pressures until the end of April at the earliest.

- Evidence that other forms of financial support have been considered and applied for where relevant. This includes the actions providers have taken internally to manage and mitigate pressures (e.g. accessing the financial resources of a parent company) as well as the support available from central government or other organisations. A summary of central government support options is included with this letter. SCC will expect that any claims submitted will clearly only be for the residual pressure after taking into account other forms of support available to businesses.
- That the amount claimed is proportionate to the amount SCC spends with the organisation and SCC's share of a provider's total income for the services covered by the claim.
- The quality and performance of services (including CQC ratings where applicable) and how the provider has worked to support SCC and Surrey residents during the C19 crisis.
- The extent to which an additional payment by SCC will clearly help to safeguard an organisation's longer term financial sustainability and the implications to both the provider and SCC if a claim cannot be supported.
- An open book approach to sharing your organisation's financial position with SCC. In addition to providing evidence to substantiate additional cost pressures, SCC will expect organisations to inform SCC if circumstances change improving their financial position after SCC has agreed an additional payment (e.g. if costs are reduced in a future period or other forms of financial support are secured for the period for which SCC has already settled a claim). Where this is the case, SCC may request a proportion of the additional funding is repaid. To be clear this only relates to payments for additional organisational financial pressures for which providers submit claims to SCC to fund. It does not relate to payments on account for which SCC has already clearly stated will not be clawed back as long as the conditions set out in section 1 above are met.

In line with the support framework for providers set out in section 1, claims for additional payments relating to organisational pressures caused by C19 will initially be limited to a maximum period up to the end of June 2020. This will be reviewed based on the status of the pandemic as the end of the first quarter of 2020/21 approaches.

The claims process will be focused on instances where organisations have incurred significant additional financial pressures that materially impact on their care businesses. Therefore, SCC will have a general threshold for claims of £10,000. Claims below this will generally not be considered, unless evidence is provided that the amount in question is materially impacting an organisation's care business. To be clear, this threshold only applies to claims made in relation to broader organisational pressures. It does not apply to increased costs of care for specific individuals as per the support framework set out in section 1 above.

The criteria set out above will ensure that SCC equitably prioritises the use of its limited resources when making additional payments to support organisations manage pressures during the C19 crisis. We recognise that providers will face significant challenges. We hope that the support framework for each care sector set out in section 1 clearly demonstrates SCC's commitment to continuity of funding care during the pandemic, and we hope this support framework will reduce organisational pressures and in turn reduce the need to submit additional funding claims.

SCC's response to claims for financial support

SCC recognises the importance of responding expediently to providers in this very challenging period, and we will endeavour to review and make decisions about claims received as quickly as possible. At the same time, we would please ask providers to recognise that SCC is likely to receive a large number of requests, questions and claims and so we would please ask that you bear with us in confirming our response to you.

All claims received will be reviewed by a panel of SCC officers including senior ASC managers, finance, procurement and where relevant legal services. The panel will meet weekly and review each claim based on the circumstances highlighted by the provider and in the context of the support that SCC has already offered for the services in question. The panel will make a decision about the claim which will be communicated to the provider, with payments agreed then made as soon as possible after the panel has met. In line with SCC's constitution, if the panel proposes an additional payments to organisations relating to section 3 above then this will also require approval from the Section 151 Officer and Cabinet. This will ensure that SCC's broader financial position is taken into account when making decisions about the use of the limited C19 funding SCC receives to support continued delivery across all of the services SCC provides to, and commissions for, Surrey residents.

We would like to express our sincere thanks for your continued support and dedication in supporting Surrey's most vulnerable residents during this time of national crisis, and we look forward to continuing to work with you when we all get out the other side.

In order to avoid delay or misdirection, we would ask you to please send any replies and correspondence to asc.covid19@surreycc.gov.uk.

Yours sincerely,



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