

SCHEDULE 14 – FEE STRUCTURE [2024]

1. INTRODUCTION

- 1.1 The Care Act (2014), the Children Act 1989 and the Children and Young Persons Act 2008 set out duties for local authorities in England to facilitate and shape a diverse, sustainable market for quality care and support services in their local area.
- 1.2 This Schedule 14 sets out the Council's approach to discharging these duties through a fee structure for care and support that provides greater transparency and allows all parties to plan more effectively.

2. THE APPROACH

- 2.1 A fixed fee approach will operate for the following market sectors:
- 2.1.1 Home Support (all ages, but excluding sensory loss and prisons which are managed under separate contractual arrangements)
 - 2.1.2 Home Support Quick Discharge Service (QDS)
 - 2.1.3 Home Support Quick Discharge Service Plus (QDS+)
- 2.2 For all provision included above in 2.1 which has been awarded the Home Support Flexible Contracting Arrangement [2024], the Council will determine an increase in fees on an annual basis using the methodology described in clauses 4.1 to 4.3 below. The Council will set out details of the annual fee increases and how these are applied each year in a 'fee summary' document which it will publish on its website. Upon expiry or termination of this contract, annual fee increases to care packages will not be applied.
- 2.3 All nursing related costs must be met through the Funded Nursing Care (FNC) or Continuing Health Care (CHC) contributions and shall not be payable by Birmingham City Council.
- 2.4 There will be situations where a care package, which has been funded through Funded Nursing Care (FNC) or Continuing Health Care (CHC), is reassessed by the NHS, and it is determined that FNC or CHC funding is no longer required and the Local Authority becomes responsible for funding the package of care. In such cases the FNC or CHC funded service agreement will end, and the Council will put in place a new care package service agreement in line with this contract, following an assessment of the citizen's care and support needs. The Council's Standard Home Support Fee shall apply. In situations where it is not possible for the Council to enter into a new service agreement with the care provider, the Council shall support the citizen to move to alternative services.

3. Fees and arrangements for Home Support (all ages).

- 3.1 The following arrangements will apply to Home Support care packages (with the exception of packages commissioned under the Quick Discharge Service and the Quick

Discharge Plus Service, as well as packages subject to Section 117 of the Mental Health Act 1983. Care packages subject to Section 117 may be determined outside these arrangements at the Council's discretion):

- 3.1.1 A fee of £21.95 per hour will apply from the date of contract award. This shall be known as the Standard Home Support Fee.
 - 3.1.2 For the avoidance of doubt, the Standard Home Support Fee shall apply to Home Support (all ages) care packages only.
 - 3.1.3 Part hour care packages are paid for on a pro rata basis. For example, a 30-minute call will be calculated at 50% of the Standard Home Support Fee.
 - 3.1.4 The Standard Home Support Fee is applicable to all new care packages commissioned from the date of contract award.
 - 3.1.5 The Standard Home Support Fee will automatically be applied to all existing care packages in place on the date of contract award. This will result in the care packages being increased and decreased as appropriate.
 - 3.1.6 The Standard Home Support Fee will be increased annually from 7 April 2025 onwards. The process for deciding the amount of the increase is described in paragraph 4 of this Schedule 14 (Subject to the discretion outlined in 2.2).
- 3.2 The following arrangements shall apply to home support packages commissioned under the service specification for the Quick Discharge Service (Schedule 5):
- 3.2.1 A fee of £19.92 per hour will apply from the date of contract award. This shall be known as the Standard QDS fee.
 - 3.2.2 Where there is 1 full hour of care delivered in a single call there will be a payment of £1.00 per hour (the "QDS Premium") in addition to the Standard QDS Fee.
 - 3.2.3 Where there is 45 minutes of care only delivered in a single call the fee will be equivalent to 90% of the total of the Standard QDS fee plus the £1 QDS premium.
 - 3.2.4 Where there is 30 minutes of care only delivered in a single call the fee will be equivalent to 65% of the total of the Standard QDS fee plus the £1 QDS premium.
- 3.3 The following arrangements shall apply to home support packages commissioned under the Quick Discharge Service Plus service:
- 3.3.1 Where there is 1 full hour of care delivered in a single call there will be a payment of £1.00 per hour ("the QDS Plus Premium") in addition the Standard Home Support Fee.
 - 3.3.2 Part hour care packages are paid for on a pro rata basis. For example, a 30-minute call shall be paid at 50% of the total of the Standard Home Support

Fee and the £1.00 QDS Plus Premium. 45-minute calls shall be paid at 75% of the total of the Standard Home Support Fee and the £1.00 QDS Plus Premium.

4. Annual price increase methodology

4.1 The Council shall increase the Standard Home Support Fee determined in line with clause 2.2 above of this Schedule 14 on an annual basis from 1 April 2025. This increase shall apply to all existing packages and annually thereafter and also to any new packages commissioned under this contract. The amount of the increase shall be determined by the Council and shall be subject to consideration of the following principles:

- 4.1.1 Changes in the rate of inflation including consideration of the Consumer Price Index (CPI) and the Consumer Price Index Housing (CPIH)
- 4.1.2 Changes in the minimum wage rates including the National Minimum Wage and National Living Wage.
- 4.1.3 Other relevant price pressures likely to significantly impact on the care sector, for example changes to employer pension contributions and National Insurance.
- 4.1.4 Regional price / fee comparison data.
- 4.1.5 Open Book accounting returns submitted by Providers
- 4.1.6 Views of the sustainability of the care sector including the scale of Providers in the local market.
- 4.1.7 Affordability to the Council within the context of the overall annual budget settlement.

4.2 The Council shall set out the fee increase transparently and share this with Providers prior to 1 April each year.

5. Fees paid to 'Out of City' provision

5.1 Providers whose Care Quality Commission registered location is outside the Birmingham Council Tax Boundary are classed as Out of City Providers. The following fees will apply to Out of City Providers under this contract:

- 5.1.1 The fees set out in clauses 3.1 to 3.1.6 of this Schedule 14 shall apply to Out of City Providers delivering Home Support.
- 5.1.2 The fees set out in clauses 3.2 to 3.2.4 of this Schedule 14 shall apply to Out of City Providers delivering the Home Support Quick Discharge Service
- 5.1.3 The fees set out in clauses 3.3 to 3.3.2 of this Schedule 14 shall apply to Out of City Providers delivering the Home Support Quick Discharge Service Plus.

6. Open Book Accounting Principles

- 6.1. All Providers shall provide a breakdown of the costs of delivering their service at least annually based on the fundamental principles of accountability, transparency and openness to ensure;
 - a. Understanding of Provider's cost base;
 - b. Understanding of cost implications of decisions taken/being considered including any changes in fees;
 - c. Identify areas to improve efficiency and/or performance across the adult social care market including collaboration between the Parties and also between Providers;
- 6.2. The Council shall set out a template for completion, the content of which shall be reasonable, practicable and proportionate to the adult social care market.