

Schedule 2

Pricing

1. Guide Prices

The Guide Prices are formally agreed in February each year once the Council has confirmed the annual budget.

The Council can confirm that the current residential and nursing Guide Prices for the County of Kent are:-

Residential Care	Guide Price
Older Person Residential Needs	£432.62
Older Person Residential High Needs	£527.52
Older Person Nursing Needs	£593.19
Older Person Nursing High Needs	£623.21

The Guide Prices will also be taken into consideration for out of county placements made by the Council.

2. National Living Wage

Providers are expected to have considered the impact on the National Living Wage when submitting their Indicative Prices.

3. Indicative Price

All prices shall be fully inclusive to deliver the specified services.

All prices shall be exclusive of VAT.

The Indicative Price for each Lot will be set, fixed and firm from the date the Contract is executed by the Parties and will be reviewed in line with Section 4 of this Schedule.

Providers **cannot** exceed their Indicative Price for an individual placement funded by the Council, which includes those who have their own means. This includes people who are placed and pay the Council the full cost of their placement, people who are accepted to the Deferred Payments Scheme and any other placement where the Council has a Contract with the Care Home for an individual. Failure to comply with this may result in sanctions in accordance with Schedule 6.

4. Indicative Price Review

The Provider can, through the Dynamic Purchasing System, alter their Indicative Price(s). The Provider can submit new Indicative Price(s) via the Kent Business Portal on 1 October and 1 April each year.

The revised Indicative Price(s) will be re-evaluated together with the revised quality score, as outlined in Schedule 6 Contract Management, on the above dates to take into account the new overall tender score. Indicative Prices will not be adjusted if a Quality and Capability Questionnaire has not been submitted.

Acceptance of the revised Indicative Price will not alter the price for **any** existing Service User.

The Council will publish the overall ranking of all Providers on the DPS on the Kent Business Portal.

5. Existing Service Users and Price Reviews

The Council shall adjust the Guide Price for each Need Category in April of each Contract Year by multiplying the relevant amount by the percentage change in the CPI published for the 12 months ended on 31 December prior to the start of the applicable Contract Year.

Where a Providers Indicative Price is equal to the current Guide Price, this will automatically be increased to the new Guide Price.

For the annual review, all Individual Placement Contract Prices will be increased by the rate determined by the CPI published for the 12 months ended on 31 December prior to the start of the applicable Contract Year.

6. Treatment of Former Self-Funders

If a self-funder's wealth depletes and they become eligible for the Council's funding, the price payable in respect of the Service User will temporarily revert to the Providers Indicative Price.

The Council will then decide on the sustainability of the placement at this rate and will use the relevant Guide Price and average placement prices to negotiate the appropriate rate with the Provider and if necessary seek alternative arrangements.

Providers should not expect that Former Self-Funders revert and remain at their Indicative Price for the relevant category Level of Need and the Council will look to obtain the best price and reserves the right to move Service Users.

Where appropriate, a new placement may need to be sought and the Individual Placement Process will be followed as documented in Schedule 4.

7. Treatment of Individuals eligible for Deferred Payments

In some cases, an existing resident privately funded may apply and become eligible for Deferred Payments. Where this is the case, the price payable in respect of the

individual will automatically revert to the Providers Indicative Price for the relevant category Level of Need.

For new placements, where the Individual Placement Process has been followed and an individual is eligible for Deferred Payments, the price agreed is the price determined through the Individual Placement Process.

To ensure a Providers compliance with the terms of this Contract, there may be a need to arrange for a Bespoke Contract in exceptional circumstances . This will be on approval from the Head of Commissioning.

Please complete the schedule below for the service(s) that are being tendered for.

**Where a service is not being provided please enter 'N/A'.
Please complete a separate schedule for each Care Home where you are providing the service.**

Care Home Name: _____

Residential services - Unit Price per Resident per Week

<i>Lot 1</i>	Long Term (£)	Short Term/Respite (£)
Residential Needs		
Residential High Needs		

Nursing services - Unit Price per Resident per Week

<i>Lot 2</i>	Long Term (£)	Short Term/Respite (£)
Nursing Needs <i>(not including FNC)</i>		
Nursing High Needs <i>(not including FNC)</i>		

Bariatric care services - Unit Price per Resident per Week

<i>Lot 3</i>	Short Term (£)
Bariatric Needs	

Respite care services (Block contract) to be contracted in multiples of two beds, with the requirement that beds are to be in a Care Home within a 15 mile radius of a Kent or Medway Acute Hospital site - Unit Price per Bed per Week

<i>Lot 4</i>	Minimum No. of beds	Maximum No. of beds	Respite (£)
Residential Needs			
Residential High Needs			
Nursing Needs			
Nursing High Needs			

Day Services in a Residential setting - Unit Price per Resident per Session

<i>Lot 5</i>	Minimum No. of placements	Maximum No. of placements	Half Day Session (£)	Full Day Session (£)
Monday				
Tuesday				
Wednesday				
Thursday				
Friday				

Saturday				
Sunday				

8. Payment & Invoicing Arrangements

On placement of a Service User, the Council will issue you with a Financial Activation Notice (FAN) letter.

On the first day after the payment cycle recorded on the FAN letter ends, the Provider will be responsible for sending an invoice for the agreed weekly amount.

On receipt of the invoice by the Council, we will pay the Provider once every four weeks (two weeks in advance and two weeks in arrears) by BACS (Bankers' Automated Clearing Services).

The Council does not currently operate e-billing however it may do so during the term of this contract. Therefore it is not currently a mandatory requirement for the Provider to operate such a system, although the Council requires that Providers highlight their ability to operate e-billing. This ability will require the submission of batches of invoices by electronic means i.e. enclosed in an e-mail or posted to a dedicated web server. This must be in a consistently structured file e.g. XML, CSV and EDI which contains all data necessary to process the invoice and meets statutory requirements.

This data will cover the following areas as a minimum:

- The nature of the charge (e.g. long term placement, respite)
- The basis of charge (e.g. number of weeks, individual placement contract price)
- Dates where appropriate (e.g. placement start/end dates)
- Unit costs and quantities
- Invoice references (number and date)
- Delivery/Invoice addresses
- VAT codes and rates at line level
- VAT codes, rates and amounts at invoice summary and batch level
- Statutory information (e.g. Provider's VAT number)
- Provider identification
- Batch control totals

9. Guide Price Review & Indexation

The Council shall adjust the Guide Price for each Need Category, as specified above, with effect from April of each Contract Year (starting from April 2017) by multiplying the relevant amount by the percentage average change in the CPI (Consumer Price Index) prior to the start of the applicable Contract Year.

This Guide Price review will occur prior to the Price Review as outlined above, to allow any Providers whose Indicative Price is at the current Guide Price to at least equal the new Guide Price. Any existing Service Users below the Guide Price will be raised to equal the new Guide Price and this will commence at the beginning of the applicable Contract Year.

Irrespective of any increase in Care Home costs the Council shall not be required to increase the Guide Price and/or Prices for existing Service Users, if there is no corresponding increase in the budget available for the Services and dependent on required authorisation by the Councils elected Members in relation to any increase to the Guide Price. Any agreed Guide Price increases will be capped at the average CPI rate (12 months).

10. Glossary and Definitions

Bariatric Needs	A branch of medicine that deals with the control and treatment of obesity and allied diseases
Bespoke Contract	Placement agreed outside of the DPS Framework in exceptional circumstances, for a specific reason and usually time-limited
Block contract	Refers to the guaranteed purchase of the agreed beds. A Block Contract will usually carry with it a negotiated reduction in the Contract price. It will be monitored and reviewed regularly at intervals to be agreed with the Contract Manager
Day Services	A service to support Service Users to improve their quality of life and promote independence, assisting Service Users to lead independent and fulfilling lives, helping to maintain good health, and to promote and enhance effective personal support networks
Funded Nursing Care	The financial contributions from the NHS towards the costs of nursing care to which a Resident may be entitled. The precise amounts are set by Central Government and are subject to regular review. Also known as 'Registered Nursing Care Contribution'
CPI	Consumer Price Index is the official measure of inflation for consumer prices in the United Kingdom. CPI is the index which will be used by the Council when reviewing any increases to the Guide Price
Guide Price	The Guide Price is the amount that the Council usually expects to pay for Residential or Nursing care within Kent. It is determined by assessing the costs of care and is reviewed on a regular basis
Indicative Price	The Indicative Price is the ceiling or maximum price that a Provider on the DPS framework contract can charge for any Council funded placement. Providers set a price for a placement according to the individual needs of the person and the price of every placement should therefore be between the Guide Price and the Indicative Price

Long Term	A permanent placement of a Resident into a residential or nursing Care Home
Nursing High Needs	Refers to the needs and dependencies as defined in Specification Annex A – Levels of Need
Nursing Needs	Refers to the needs and dependencies as defined in Specification Annex A – Levels of Need
Resident	The person in receipt of a residential or nursing Care Home service
Residential High Needs	Refers to the needs and dependencies as defined in Specification Annex A – Levels of Need
Residential Needs	Refers to the needs and dependencies as defined in Specification Annex A – Levels of Need
Respite	A short-term placement for a person that is required urgently, for example due to a breakdown of a home care package or a change in the person's needs (Emergency Respite) or a short term placement for a person to give the carer and the cared for person a period of respite, as far as is possible on dates of their choosing e.g. for a family holiday (Planned Respite)
Service User	A person aged 65 years or over who has been found on assessment to be in need of accommodation together with care and to qualify under our eligibility criteria for our financial support
Short Term	A placement of up to 6 weeks to enable a Resident to return home or to be moved on to the right setting for that individual, either following a hospital stay or where an individual has experienced a health or social care crisis in their own home