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To the Proprietor

Enquiries to Contracts Team

My reference

Direct Line 01962 826922

Your reference

Date 4th March 2016

E-mail as.contracts@hants.gov.uk

Dear Provider

Re: Hampshire Rates for Older Persons Independent Sector Residential/Nursing Care Services: Hampshire – 2016/17 uplift rates

We are writing to you with regards to the above Residential and Nursing Care Services uplift rates that commence from the 11th April 2016.

Within the Local Government Finance Settlement confirmed in December 2015, Hampshire County Council's Revenue Support Grant has been cut by £48 million for 2016/17 – which is a decrease of 37.4% and £29 million more than the Authority was anticipating. The significant reduction is due to a change in the way that the Government distributes money to local authorities.

On 18th February 2016, the County Council's budget was approved at Full Council. At this meeting, Councillors approved a 1.99% Council Tax increase plus an additional 2% specifically to help with pressures within adult social care – both rates are the maximum permitted by the Government. Whilst this helps, together raising circa £20m, this doesn't make up the greater than anticipated shortfall in the Council's financial settlement.

You will know that we have also been considering the increased financial pressures providers are experiencing, and how we can best support you within reduced budgets. Following detailed consideration, we have decided to offer an increase of 2.2% to all our residential and nursing providers that are currently at, or below, the Hampshire Rate. This increase is inclusive of provision for the national living wage from April.

Please note that this will not be applicable for any NHS funded or Health nursing care beds which are provided through the Clinical Commissioning Groups (CCGs).

Learning Disability (LD) rates will continue to be subject to the cost matrix and rates will not be subject to uplift.

Interim Director of Adult Services
Graham Allen

Attached is a copy of the latest fee schedule.

In the medium-term Hampshire County Council is reviewing the local economy cost for providing services and will continue to work with providers, including discussions with the Hampshire Care Association (HCA), to understand how best to support an affordable and sustainable market.

If you have any queries about individual Hampshire Adult Services clients' specific needs, please contact the Adult Services local offices for Hampshire via email at; as.contracts@hants.gov.uk .

Yours faithfully

A handwritten signature in black ink, appearing to read 'Graham Allen'.

Graham Allen
Interim Director of Adult Services