## Letter to Direct Payment Recipients from Knowsley Council -Temporary Increase in Direct Payment Rates

Knowsley Council has written a letter to all Direct Payment recipients about temporary changes to the amount of money they will receive (letter attached at the end of this explanation).

We have spoken to Knowsley Council to clarify what this means for people who use direct payments in Knowsley and have set out the following information by way of further explanation.

Firstly, it is important to note that this is a temporary, interim measure to provide an additional 5% on top of the current rate paid to people who employ personal care assistants (PAs). The increase takes effect from 1<sup>st</sup> April 2020 and will be reviewed on 1<sup>st</sup> June 2020.

The next scheduled payment of direct payments is due on 4<sup>th</sup> May 2020. This will contain the new temporary rate of pay for May plus an amount to cover the backdated payment of arrears from 1<sup>st</sup> April.

The standard rate for direct payments for employing PAs will increase from £9.43 to £9.90. The sleep-in rate will increase from £9.92 to £10.02. Please remember these are the standard rolled-up hourly rates covering employment costs, annual leave, employers N.I contributions etc. **This will not make any difference to the rate of pay for PAs.** This will remain at the new minimum national living wage rate of £8.72 per hour. The additional payment is simply there to make sure people have sufficient funds.

People who use direct payments to pay for agency care will receive a temporary uplift of 7% in the rate paid.

There are no plans at this stage for any temporary increase in rates for direct payments for community groups and day care activities.

In addition, the letter sets out the Councils' commitment to support the effects of sickness absence during the Coronavirus crisis. This means that, if there is a shortfall in contingency funds, extra money will be made available for the additional costs of SSP payments and employing staff to cover sickness absence.

We will update with more information on changes in hourly rates for the long-term as soon as we know.

In the meantime, for help with managing direct payments and more information on how care and support arrangements can be adjusted in light of the current crisis, please contact the Direct Payments team on 0151 480 8873 or email Andy Gilbert at andy.gilbert@kdc.org.uk.



21 April 2020

To: Care Homes, Supported Accommodation, Extra Care, Personal Assistants

Dear colleague,

## **Additional Financial Support**

Thank you for your continued support during these difficult times and all the work you and your staff are doing, to ensure continuity of service to vulnerable people of Knowsley in these unprecedented times.

As a consequence of the exceptional and unplanned costs within the Adult Social Care provider sector, Knowsley Council has decided that, in addition to maintaining current payments, we will be supporting providers with the following additional support;

- A 5% uplift;
- Make payments to support sickness absence during the crisis.

Further details on the additional support will be outlined in future correspondence. Please note that the Council requires assurance that your staff are not adversely affected, and there is an expectation that this financial support is reflected in your staff payments, so please continue to maintain accurate records and adopt an open book accounting principal with the Council.

Knowsley Council's approach is to ensure that providers are supported, to remain financially stable, while ensuring that the Council is able to identify how the additional funding is being allocated and spent.

Please be aware that this additional support is not reflective of 2020/21 allocation; this will be agreed and settled at a future date following our crisis response.

This additional support will be from 1<sup>st</sup> April 2020 and will be reviewed in Week beginning 1<sup>st</sup> June 2020.

Once again, may I thank you for your continued support and delivery during this pandemic.

Yours sincerely,

**Clir Sean Donnelly** 

Deputy Leader of the Council / Cabinet Member (Health & Social Care)

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