

REPORT TO: Executive Board Sub Committee
DATE: 19 March 2009
REPORTING OFFICER: Strategic Director – Health & Community
SUBJECT: Request to waive standing orders
WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To seek a waiver of standing orders for the Strategic Director of Health & Community.

2.0 RECOMMENDATION: That Standing orders 8.3, 8.3.1 and 8.3.2 be waived to allow the Strategic Director to pay all providers of community care and supporting people services 4 weeks in advance with effect from April 6th 2009.

3.0 SUPPORTING INFORMATION

3.1 Providers of both residential and domiciliary care services are currently paid 6 weekly in arrears for the services they provide to Halton residents.

3.2 The Council now requires all invoices to be paid within 10 days of receipt so that businesses are not adversely impacted on by the 'credit crunch'. Provider invoices are submitted and are checked before payment to ensure that the services listed have been provided before service users are invoiced for the care they have received.

3.3 The volatility of the care market is well documented and there is a need to ensure that providers have sufficient cash flow so services are not suddenly withdrawn from the most vulnerable and needy people in our society.

3.4 Standing order 8.3 states

8.3 INVOICES AND CREDITOR PAYMENTS

8.3.1 Each Operational Director shall be responsible for ensuring that all accounts arising from within their Directorate are properly examined, verified and certified before submission for payment.

8.3.2 The authorised certifying officer shall only certify accounts for payment once the following matters have been established by that officer:

- the works, goods or services to which the account relates have

*been received, carried out, examined and approved;
- the quantities, prices, extensions, calculations, discounts,
allowances, credits and tax are correct, the account has not been
previously passed for payment, all details and analysis of VAT
have been properly dealt with.*

These standing orders therefore preclude the Strategic Director being able to make any payments in advance to providers.

- 3.5 Payments to Supporting People providers had to be made 4 weeks in advance, as required under the Supporting People contract framework issued on 1st April 2003. This framework is being reissued on April 2009 and we will no longer be statutorily required to make payments in advance to these providers. To maintain market stability it is proposed that we continue to pay Supporting People providers 4 weeks in advance and make adjustments when their invoice is presented for payment.
- 3.6 To ensure that providers have sufficient cash flow available and to avoid unnecessary termination of services, it is proposed that, with effect from March 2009, providers be paid in advance for services. Advance payments would be based on 90% of the average payment made to them by the Council in the previous 36 weeks. Any adjustments plus or minus to the amount paid in advance will be made when the provider submits their next actual monthly invoice 4 weeks later. Failure to provide an invoice for the actual service delivered will result in immediate termination of the facility for payment of advance fees.

4.0 POLICY IMPLICATIONS

- 4.1 None.

5.0 OTHER IMPLICATIONS

- 5.1 Amounts paid to providers over the year will not incur additional costs for the Directorate as payments will be balanced back to actual invoices and adjusted accordingly throughout the financial year.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children & Young People in Halton

None

6.2 Employment, Learning & Skills in Halton

Advance payments will help to stabilise the care market and thus employment.

6.3 A Healthy Halton

A stable care market ensures that the health and care needs of Halton's residents are met.

6.4 A Safer Halton

A stable care market reduces the risk of the most vulnerable people in society being placed at risk.

6.5 Halton's Urban Renewal

None.

7.0 RISK ANALYSIS

7.1 Failure to ensure that providers of care services have sufficient cash flow to operate during the current economic climate may impact on care service provision to needy and vulnerable people.

7.2 The amounts paid in advance to providers of domiciliary and residential will cost the Directorate £8,770 per annum in respect of lost interest payments.

7.3 The amounts paid in advance to providers of Supporting People Services will cost the Directorate £3,750 per annum in respect of lost interest payments.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None.