

Appendix 1

Expected costs of Children's Homecare service for disabled children.

| Children's Homecare | Payment | Hours per year | Total expected cost per year | Total cost over duration of 8 year contract (3 years +3+2) |
|----------------------------|------------------|---|-------------------------------------|---|
| Block payment | £33,500 per year | Up to 450 per year | £33,500 | £268,000 |
| Activity-based payment | £28 per hour | Expected up to 550 hours per year (based on current demand) | Up to £15,400 | Up to £123,200 |
| Total | | | Up to £48,900 | Up to £391,200 |