

COVID-19 RESILIENCE FUNDING TO SUPPORT INDEPENDENT SECTOR PROVIDERS OF ADULT SOCIAL CARE

To: **Adults Committee**

Meeting Date: **12 May 2020**

From: **Corporate Director for People and Communities**

Electoral division(s): **All**

Forward Plan ref: **N/A** *Key decision:* **No**

Purpose: **To provide Adults Committee with an update on the award of a 10% resilience payment to adult social care independent sector providers based on current spend. The decision to award the payment has already been taken under emergency powers by the Chief Executive of Cambridgeshire County Council and Peterborough City Council, and will support resilience of the market to manage significantly increasing costs which have been born out of COVID-19. It will also ensure continuity of the care for service users.**

Recommendation: **Adults Committee are recommended to:**

Note the decision made under emergency powers by the Chief Executive of Cambridgeshire County Council and Peterborough City Council in consultation with the Chairman of the Adults Committee, to award the temporary 10% resilience payment to adult social care independent sector providers, which has been applied based on current spend from 20 April 2020 until the end of June 2020, at an estimated maximum cost of £3.5m.

<i>Officer contact:</i>		<i>Member contacts:</i>	
Name:	Shauna Torrance	Names:	Councillors Anna Bailey
Post:	Head of Adults Commissioning	Post:	Chair/Vice-Chair
Email:	Shauna.Torrance@cambridgeshire.gov.uk	Email:	annabailey@hotmail.co.uk
Tel:	01223 714697	Tel:	01223 706398

1. BACKGROUND

- 1.1 The pandemic has had a huge impact on the health and social care system, including independent sector providers. Whilst social distancing protocols are starting to have a positive impact on the overall population, independent sector providers are working with health and social care to support people most at risk. This has not only resulted in an increase in the number of people requiring care and support both in the community and on discharge from hospital, but also a significant increase in cost.
- 1.2 The Local Government Association (LGA) and the Association of Directors of Adult Social Services (ADASS) have released guidance which outlined the key pressures faced by the market and provided advice on how local authorities should aim to support management of these pressures. The guidance recommended Councils provide financial support to local providers to assist them in managing the cost pressures caused by Covid-19, and estimated a temporary uplift of 10% would achieve this.
- 1.3 The LGA and ADASS update builds upon guidance released at the end of March 2020 by NHS England which outlined the responsibility of the local authority in relation to hospital discharge. The guidance clearly stipulated that Local Authorities will be undertaking the lead on commissioning market capacity on behalf of the health and social care system to support accelerated hospital discharge and admission avoidance. However, it also clearly stated that the Clinical Commissioning Group would be responsible for funding all packages of care commissioning on discharge from hospital or to avoid an admission.
- 1.4 Recognising the urgency of the situation, a decision has been taken under emergency powers by the Chief Executive of Cambridgeshire County Council and Peterborough City Council in consultation with the Chairman of the Adults Committee, to apply the 10% resilience payment. This report will therefore aim to outline how the Council have supported independent sector providers to date and the key challenges faced by the market. It will also highlight the importance of providing further financial support in the form of a temporary 10% resilience payment on existing spend at an estimated maximum cost of £3.5m.
- 1.5 Application of this resilience payment is expected to deliver the following outcomes:
 - Support the financial resilience of local providers against the increasing cost associated with Covid-19.
 - Ensure providers are able to continue to deliver high quality care to service users.
 - Mitigate the risk of provider failure, and the disruptive impact this will have on service users in receipt of support.
 - Ensure community adult social care capacity can continue to support people on discharge from hospital, critical to management of the pandemic.

2. MAIN ISSUES

- 2.1 Throughout this period, the Council has taken a proactive approach to engaging with the market to understand their pressures and how we are able to support them through this

difficult time, with the ultimate aim being to ensure continuity of care for service users. In doing so, Commissioning and Contracts have supported the market in the following ways:

- **Single Point of Contact:** A single point of contact within the Council's Contracts Team has been established and is monitored regularly. We have also set up a dedicated phone line which can be used by providers to seek advice, guidance and communicate any concerns and key risks. In addition to this, Operational Social Care staff are in regular contact with providers and service users.
- **Provider Newsletter:** Daily updates are sent to all providers. These updates include advice on access to PPE, summaries of the latest guidance and links to advice, evidence of good practice and key contacts for escalation of risks and issues.
- **Provider Forums:** The Councils are running virtual forums on a weekly basis to give providers the opportunity to discuss local issues, key themes and share good practice. The team are proactively inviting key experts to attend to give advice and presentations on key topics relevant to the outbreak including PPE and infection control.
- **Redeployment of staff:** We have established a robust process whereby staff who usually work within Council provided day services which have now closed can be re-deployed to local providers who have seen a reduction in staff numbers as a result of the pandemic. This ensures continuity of service to existing service users and supports staff within these services to manage risk. We are also in the process of extending this offer out to include the redeployment of staff from external day services which have closed to other settings where appropriate to do so.
- **Emergency Personal Protective Equipment (PPE) Supplies:** Reducing levels of PPE equipment has presented as an issue internationally. Through the newsletter we are sharing details of local PPE suppliers with providers. Should a provider highlight to the Council that their levels of PPE are seriously low, we are able to provide emergency provision for a period of 7 days per application.

2.2 However, feedback from local providers has consistently suggested that there are key areas of cost pressure which are placing significant pressure on their cash flow and financial stability. This includes:

- Staff enhancements, overtime and agency fees to ensure continuity of care within the context of reducing capacity due to increased sickness and self-isolation. Emergency legislation passed also means that providers are funding statutory sick pay from day one rather than day four in addition to costs of backfilling staff.
- Additional travel expenses as staff can no longer be expected to rely on public transport to prevent the risk of the virus spreading. The domiciliary care market are also experiencing increased mileage costs as the usual areas of care delivery expand to assist in managing demand.
- Infection control - Due to high demand, the costs of PPE has increased dramatically. With central government supplies being limited, care providers have had to procure appropriate equipment through alternative routes wherever possible at an increased cost to protect their frontline care staff and the service users they deliver care to.

- Loss of income from people who self-fund their care and support and have chosen to cancel care due to risk of COVID transmission. For some providers this is a small proportion, for others this loss of income is significant.

2.3 Overall, feedback received has indicated that the pandemic has resulted in significant increases in provider costs. If no action had been taken to support the market, there would have been a significant risk that a number of organisations could have become financially unsustainable resulting in a decline in care available to support the most vulnerable. There was therefore an imperative that the resilience payment was applied urgently. Failing to do so could have resulted in providers no longer being able to deliver services to vulnerable people and members of the public being at risk of serious harm. This would have ultimately impact on the Council's ability to discharge its statutory duties as set out in the Care Act 2014. The resilience and ongoing sustainability of providers is also key to ensuring people can be discharged safely into the community from hospital.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 A good quality of life for everyone

The report above sets out the implications for this priority in **paragraph 2.4, 2.5 and 2.6.**

3.2 Thriving places for people to live

See wording under 3.1 above.

3.3 The best start for Cambridgeshire's children

Not applicable.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The cost associated with this for the council is estimated at a maximum £3.5m for the period specified.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

The resilience payment is applied to existing contracts which the council has awarded in line with the Public Contract Regulations 2015 and the council's contract rules.

4.3 Statutory, Legal and Risk Implications

The report above sets out the implications for this priority in **paragraph 4.2.**

4.4 Equality and Diversity Implications

The recommended approach will support the continuation of access to services by the full range of communities in Cambridgeshire.

4.5 Engagement and Communications Implications

Due to the urgent nature of this resilience payment this decision has been taken following consultation with the Section 151 Officer, Corporate Director of People and Communities. However, the recommended approach is a result of direct engagement with the local independent sector market.

4.6 Localism and Local Member Involvement

The report above sets out the implications for this priority in **paragraph 4.4**

4.7 Public Health Implications

The report above sets out the implications for this priority in **paragraph 2.4 and 4.4**

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Stephen Howarth
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Yes Name of Officer: Gus De Silva
Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law?	Yes Name of Legal Officer: Fiona Mcmillan
Have the equality and diversity implications been cleared by your Service Contact?	Yes Name of Officer: Will Patten
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Matthew Hall
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Yes Name of Officer: Will Patten

Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Raj Lakshman
---	---

Source Documents	Location
None	