

Forward Plan reference number: FP/260/12/21

Report title: Covid Resilience Fund – Support to Adult Social Care Market	
Report to: Councillor Christopher Whitbread, Cabinet Member for Finance, Resources and Corporate Affairs	
Report author: Nick Presmeg, Executive Director for Adult Social Care	
Date: 15 February 2022	For: Decision
Enquiries to: Steve Ede, Head of Procurement (steve.ede@essex.gov.uk)	
County Divisions affected: All	

1. Everyone's Essex

- 1.1 Everyone's Essex sets out the strategic aim of health, wellbeing and independence for all ages. Within that aim is a commitment to helping vulnerable people to live independently and free from abuse and neglect, by enabling an effective care market.
- 1.2 The purpose of this paper is to support this objective by continuing to support the sustainability of the care provider market as it faces demand issues, staffing challenges and increased financial pressures, through the Covid Resilience Fund.
- 1.3 Originally, approximately £12m of funding was allocated in the expectation that covid prevalence and isolation pressures would ease over time. In practice, such easing is only happening in the very final weeks of the financial year 2021/22, so it is expected that total claims this year will match the £8m of claims in 2020/21.
- 1.4 Based on this pattern of claims a further £4m is required, supplementing the remaining £4m from the original funding, to settle claims for costs incurred up to the end of March 2022.
- 1.5 It is proposed to draw down additional funding from the COVID Equalisation Reserve to enable us to continue to support providers with the additional costs they are facing.
- 1.6 The proposals in this paper do not create any additional climate impacts and are therefore consistent with our future net zero climate commitments set out in Everyone's Essex.

2 Recommendations

- 2.1 Agree that £4m is drawn down from the COVID Equalisation Reserve to enable us to pay claims made for additional costs incurred during the current financial year, 2021/22, in line with the decision taken in March 2021 to extend the

scheme (FP/978/02/21) and to cover the cost of the team administering these claims up to 31 May 2022.

3 Background and Proposal

- 3.1 Since the start of the COVID pandemic Essex County Council has worked hard to ensure the viability and capacity of the care sector.
- 3.2 Various decisions made during 2020 and 2021 secured £12m in total as a Covid Resilience Fund, enabling payment to the care market providing extra support to residential and nursing care homes, the domiciliary care sector, extra care, supported living settings and providers of day care.
- 3.3 The £12m originally identified for this fund, is now fully spent and therefore it is proposed to draw down an additional £4m from the Covid Equalisation Reserve to enable providers to continue to make claims for additional costs incurred in the current financial year.
- 3.4 The decision FP/978/02/21 approved in March 2021 by the Leader of the Council to carry forward funding identified for the financial year 2020/21 into 2021/22 set out in paragraph 3.8 that should the funding be insufficient for the current financial year then the service would submit a further decision to seek additional funding.
- 3.5 In line with previous decisions, this Fund would continue to be used to allow Residential, Nursing, Home Care, Supported Living and Day Care providers to claim for additional costs up to a cap of 10% of their usual monthly spend with the Council.
- 3.6 To administer the fund we will continue the process that has been in place for the Covid Resilience throughout 2020 and 2021 which requires providers to submit an evidence-based claim.
- 3.7 It is recognised that there may be a small number of providers who have, exceptionally, incurred additional costs in excess of 10% of their usual spend with the Council. The Executive Director for Adult Social Care has been given authority to exceed the 10% for particular suppliers who can demonstrate this is the case.

4 Links to our Strategic Ambitions

- 4.1 This report links to the following aims in the Essex Vision:
 - Enjoy life into old age.
 - Develop our County sustainably.
 - Share prosperity with everyone.
- 4.2 Approving the recommendations in this report will have a neutral impact on the Council's ambition to be net carbon neutral by 2030. We are working on wider improvements as part of our longer-term market shaping strategy which will have an impact on this ambition.
- 4.3 This report links to the following strategic priorities in the emerging Organisational Strategy 'Everyone's Essex':

- A strong, inclusive and sustainable economy.
- Health wellbeing and independence for all ages.

5 Options

5.1 Option 1. Do not provide the funding (not recommended)

Without additional funding, the Covid Resilience Fund will have to be closed to providers before the 31 March, which was the date confirmed to providers in the previous decision.

5.2 Option 2: Provide the additional funding requested to allow the scheme to remain open to providers for costs incurred up to 31 March 2022 (recommended)

This is in line with the previous decision taken to extend the Covid Resilience Fund to 31 March 2022 and will mean those providers incurring real additional costs can claim them back for this period.

This is the recommended option.

5.3 Option 3: Provide the additional funding requested and extend the Covid Resilience Fund beyond 31 March 2022 (not recommended)

This is not in line with the previous decision which extended the fund to 31 March 2022, and there is insufficient evidence at this stage to suggest that providers will need this form of additional support in the financial year 2022/23 as the pandemic period is thought to come to an end.

6 Issues for Consideration

6.1 Financial Implications

6.1.1 The Covid Resilience Fund of £12m was created in 2020/21, using Covid Emergency funds from MHCLG (now DLUHC), the balance of these funds is now in the Covid Equalisation Reserve. To date provider claims that have been paid amount to circa £12m, with some 1,200 claims made. Based on this pattern of claims it is expected that a further £4m is required to settle claims for costs incurred up to the end of March 2022 in line with the decision taken in March 2021 to extend the scheme for providers until the end of this financial year.

6.1.2 A team of additional staff was created in 2020/21 to monitor and agree the provider claims. This team will need to continue to fulfil this function until 31 May 2022 to ensure all claims are settled with providers in a timely manner. The cost of the team over that period is £50,000 and will be met from within the £4m request set out in 6.1.1.

6.2 Legal Implications

- 6.2.1 All draw downs from reserves have to be authorised by the Cabinet Member with responsibility for finance. This report does not authorise any spending.

7 Equality and Diversity Considerations

- 7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful.
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
- 7.3 The recommendations in this report are designed to ensure that the Council meets the need of social care users, most of whom are disabled. An equality impact assessment has been undertaken and we do not believe that there will be a significant adverse impact on any people with a protected characteristic.

8 List of Appendices

None

9 List of Background Papers

None

I approve the above recommendations set out above relating to my portfolio for the reasons set out in the report.	Date
Councillor Christopher Whitbread, Cabinet Member for Finance, Resources and Corporate Affairs	17.03.22

In consultation with:

Role	Date
Councillor John Spence, Cabinet Member for Adult Social Care and Health	10.03.22
Executive Director for Adult Social Care Nick Presmeg	04.03.22
Executive Director for Corporate Services (S151 Officer) Stephanie Mitchener on behalf of Nicole Wood	15.02.22
Director, Legal and Assurance (Monitoring Officer) Paul Turner	15.02.22