

Forward Plan reference number: FP/559/11/22

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| <b>Report title: Adult Social Care Discharge Fund 2022/23</b>                             |                      |
| <b>Report to:</b> Councillor John Spence, Cabinet Member for Adult Social Care and Health |                      |
| <b>Report author:</b> Peter Fairley, Director Strategy, Policy and Integration            |                      |
| <b>Date:</b> 9 December 2022  | <b>For:</b> Decision |
| <b>Enquiries to:</b> Email - peter.fairley@essex.gov.uk                                   |                      |
| <b>County Divisions affected:</b> All Essex   |                      |

## 1. Everyone's Essex

- 1.1 Essex County Council (ECC) and Essex NHS partners are setting out plans to support Essex residents, especially the most vulnerable, during winter to protect and maintain their health and wellbeing. The plans set out £10.4m investment into health and care services from December to 31 March 2023.
- 1.2 Thousands of Essex residents and their carers rely on health and care services to support them. By working more closely with partners in the NHS, we can provide services in a more joined-up way. Doing this well can then to better outcomes for residents across Essex and support people to be discharged from hospital as quickly and as safely as possible.
- 1.3 This decision supports the Council's ambitions in *Everyone's Essex* to support people to be healthy, to address health inequalities, to support people to be independent and to level-up health outcomes. This decision also supports the Council's levelling-up white paper ambitions and provides additional capacity to support the most vulnerable people and communities in Essex.

## 2. Recommendations

- 2.1 Agree to receive the Adult Social Care (ASC) Discharge Fund via a Section 31 grant from the Department of Health and Social Care (DHSC) worth £4.9m for the financial year 2022/23.
- 2.2 Agree to enter into a new section 75 agreement with all three Integrated Care Boards (ICBs) in Essex (Mid and South Essex (MSE), Hertfordshire and West Essex (HWE), Suffolk and North East Essex (SNEE) to pool the ICB allocations totalling £5.5m into the existing County Wide Better Care Fund (BCF) pooled fund and simultaneously terminate the current section 75 County Wide BCF agreement.
- 2.3 Agree to introduce an incentive payment scheme to care providers and payments to invest in the care workforce from Monday 12<sup>th</sup> December 2022 up

to and including Sunday 5 February 2023, as detailed in paragraph 5.2 of this report.

- 2.4 Agree to authorise the Executive Director for Adult Social Care to vary the section 75 agreements and to agree variations to the commissioning contracts to reflect the agreed Plan after taking procurement and legal advice.
- 2.5 Agree that no money will be paid to a provider with respect to the investment in the care workforce unless and until it has signed a binding contractual agreement where it enters into a legally binding commitment to spend the money in accordance with the Council's requirements.

### **3. Purpose of Report**

- 3.1 To agree plans between Essex County Council (ECC) and NHS integrated care boards (ICBs) for using the Winter Discharge Fund to support Essex residents and the Essex care market through winter.
- 3.2 To approve the pooling of funds in the Essex Better Care Fund (BCF), and delegate approval of amendments to the section 75 agreement between Essex County Council and NHS integrated care boards to the Executive Director for Adult Social Care, to enable the Discharge Fund to be spent for the benefit of Essex residents.

### **4. Summary of issue**

- 4.1 In September 2022, the then Secretary of State for Health announced a £500m winter discharge fund for health and social care. Allocations to local authorities and NHS integrated care boards were announced on 16 November 2022 and further guidance published on 18 November 2022. Local areas need to submit plans to NHSE for spending the fund within 4 weeks of publication of the guidance (by 16 December).
- 4.2 The national guidance requires that local authorities must only use this funding up to 31 March 2023, to:
  - i. enable more people to be discharged to an appropriate setting, including from mental health inpatient settings, with adequate and timely social care support as required.
  - ii. prioritise those approaches that are most effective in freeing up the maximum number of hospital beds and reducing bed days lost within the funding available, including from mental health inpatient settings.
  - iii. boost general adult social care workforce capacity through recruitment and retention activity, where that will help to reduce delayed discharges from hospital. This could include, but is not limited to, measures which: increase hours worked by existing workforce; improve retention of existing workforce; provide additional or redeployed capacity from current care workers; or support local recruitment initiatives. Local authorities will need to satisfy themselves that steps they take to boost

workforce capacity align with their functions under the Care Act 2014, and each local authority will need to take into account any legal, employment law, equality, or tax considerations that may arise.

- 4.3 In Essex, there have been challenges around domiciliary care capacity in some areas, particularly in the Braintree and Tendring districts, although we have made significant progress in recent months at reducing those capacity challenges. There are also capacity challenges around meeting complex care needs in some areas. Short-term services after leaving hospital (such as reablement) can help people to recover and regain their strength and independence but there have been challenges around the ability of current service provision to meet demand. Demand for mental health services has been high since the pandemic and there have been challenges in securing provision for more complex cases. Finally, the health and care workforce is stretched in the face of growing and high demand and the care sector has lost 2% of its workforce over the last 12 months (Skills for Care data).
- 4.4 It is a condition of the grant that it must be pooled within the local Better Care Fund (BCF). It is also a condition that local systems must provide fortnightly activity reports, setting out what activities have been delivered in line with commitments in the spending plan. The first activity report needs to be submitted to government by 30 December 2022. As a condition of funding, all local authorities, ICBs and trusts will need to engage with a review in January 2023.
- 4.5 The funding will be paid in two tranches – 40% in December and the remaining 60% in January 2023. Funding has been allocated to local areas by two mechanisms:
- i. A grant to local authorities using the Relative Needs Formula (RNF) – the amount for Essex County Council is £4.93m
  - ii. Allocations to NHS integrated care boards, using a formula based both on population (25%) and on the proportion of beds per capita that were occupied by people who no longer meet the right to reside (75%). The amounts allocated to the relevant integrated care boards (ICBs) were:
    - a. Mid and South Essex ICB – a maximum of £3.215m over two tranches (£2.23m for Essex)
    - b. Suffolk and North East Essex ICB – a maximum of £4.315m over two tranches (£1.609m for Essex)
    - c. Hertfordshire and West Essex ICB – a maximum of £7.815m over two tranches (£1.622m for Essex).

## **5. Proposals**

- 5.1 ECC and partners from our integrated care systems have discussed and agreed the best proposals for supporting the health and care system this winter. ECC has also had opportunity to seek the views of care providers via the Essex Care Association (ECA) about what would make the biggest difference for them. The proposals in this paper reflect the priorities that we believe will make the biggest difference to the health and care system.

## County-wide schemes, commissioned by ECC

- 5.2 A range of county-wide measures are proposed that will strengthen the health and care system across Essex, which will be commissioned by ECC using the pooled funding:

From the £4.93m allocated directly to Essex County Council:

- i. **Investment in care workforce (£4.4m)** to support providers to recruit and retain workers and pay/reward workers during the winter period. Payments will be made in two tranches (December and January) to all regulated providers contracted by ECC to boost their ability to retain and recruit staff. The payments will be based on the size of their workforce as recorded on the national trackers. To give an indication of scale, as at 1 November 2022 there were approximately 22,500 eligible staff, so payments would have been £195 per worker. Actual payments will be based on workforce numbers as at 1 December 2022 and 1 January 2023.
- ii. **One-off incentive payments (from packages referred between Monday 12 December 2022 up to and including Sunday 5 February 2023) to care providers to support hospital discharges and address capacity challenges in 'hard-to-source' areas (£490,000).** The incentive scheme will provide:
  - a. £1,000 domiciliary care incentive for same day commencement of a care package if referred before 2pm (Monday to Friday) and for next day commencement of a care package if referred after 2pm (for packages referred Sunday to Thursday)
  - b. £1,000 residential care incentive for same-day commencement of placement if referred before 2pm (Monday to Friday) and for next day commencement of placement if referred after 2pm (for placements referred Sunday to Thursday)
  - c. £2,000 incentive for residential care and domiciliary care for a commencement on a Saturday or Sunday (or Bank Holiday), where the referral is made after 2pm on a Friday until 2pm on a Sunday (or until 2pm on a Bank Holiday)

The incentive payment will not be paid if providers are returning packages of care to the Council on the grounds that they can't resource them. This is to stop a provider being incentivised to return one care package in exchange for one that comes with an incentive payment.

Procurement and Adult Social Care Leadership are confident that they will be able to manage the incentive this creates for Sunday afternoon referrals to be rushed into commencement that afternoon when the service user isn't ready for it.

Any discharges that take place but do not meet the criteria will not be paid the incentive payment.

From the monies allocated to integrated care boards, and pooled within the Better Care Fund, ECC will use **£1.77m** to commission:

- iii. **Boosting capacity to support people with mental health challenges to be supported and discharged from hospital (£350,000).** This will include:
  - a. Additional Approved Mental Health Practitioner capacity over the winter months with a specific focus on triage and signposting to divert the request for a Mental Health Act assessment.
  - b. Commission additional beds from an existing residential provider for 3 to 4 months with the specific purpose of providing time-limited (no more than four weeks) support, helping people to progress out of hospital and then progress home.
- iv. **Temporary increase in Alternative Reablement Capacity (ARC)** – time-limited increase of 10% hours for 12 weeks for our existing contracted provision, (or via alternative suppliers should ARC contract holders be unable to deliver the additional hours). This will help support people out of hospital and provide an additional 400 hours per week. Cost of **£121,000** to 31 March 2023.
- v. **Extension of block provision for 15 beds within Cedars care home in Halstead to 31 March 2023** (current provision ends 31 January 2023) to act as a covid-positive isolation unit, should that be required, but that can be flexed to accommodate a variety of adults who have short-term care needs – estimated cost of **£176,000**.

**In Mid and South Essex: (£156,000)**

- vi. **£123,000 for additional domiciliary care round in Braintree via H3A** by a maximum of 3 carer rounds @15 hrs / day (315 hrs per week in total) to support reducing unsourced care. The additional capacity is expected to start from 11 December 2022
- vii. **£33,000 for block purchasing 3 additional at Parkview residential care home in Witham.** The capacity is for the period 16 December 2022 – 31 March 2023. This will support discharges and is the only block bed in Mid that can offer additional capacity.

**In North Essex: (£710,000)**

- i. **An extension of Ward Led Enablement** providing capacity for an additional ward at a cost of £98,000.
- ii. **Trusted Assessors** - to work in the Transfer of Care Hub and support the discharge process for patients needing Ecare or Swan support at a cost of £108,000
- iii. **Home to Assess** - providing an additional 30 starts of home to assess service at a cost of £504,000

**In West Essex: (£249,000)**

- i. **Bearing Point work to ensure equity in Discharge to Assess offer in West** £200,000
- ii. **Ward led enablement / in-reach reablement capacity** £49,000

**Services commissioned by integrated care boards**

- 5.3 The bulk of monies allocated to integrate care boards will be spent on schemes on ICB boundaries or on local schemes. At a local level, schemes will be determined based on the causes of pressures on discharge in that area and build on the local opportunities and assets. Monies will be pooled within the Better Care Fund.

In Mid and South Essex, the MSE ICB will act as lead commissioner on schemes in Essex including the following:

- i. **£420,000** in Essex county on ward-based enablement across all 3 hospital sites (Basildon, Broomfield and Southend), helping to support people to regain strength and mobility while still on hospital wards.
- ii. **£100,000** in Essex county on 7 day working for Mental Health clinical workforce
- iii. **£100,000** in Essex county on enhanced patient transport offer (flexibility and capacity)
- iv. **£210,000** in Essex county on enhanced equipment offer (in line with COVID response)

The remaining balance from the Mid and South Essex ICB pooled allocation will be for local determination by alliances on local schemes. These are still being worked through but partners do not want to hold up progress on the other schemes in this decision paper.

In North East Essex, SNEE ICB will act as lead commissioner on schemes in Essex worth up to **£900k** including the following:

- v. **Additional therapy capacity** to support flow through home to assess and the reablement pathway.
- vi. **Increased weekend cover for acute therapies to support discharges** - Overtime by existing staff to increase staffing levels on Saturday and Sunday 0830-1630 in acute and Community hospitals.
- vii. **Bridging** - Increase in Swan bridging for people with a start date with ECare and ECL slots
- viii. **Social Prescribing in acute settings and virtual wards** to reduce discharge delays where these are related to support available outside of hospital by connecting people to support in their communities and helping coordinate that support.



- ix. **Increasing dedicated case management capacity** to ensure correct pathways are identified, early discharge planning is taking place and the **extension of pathway light** – providing wrap-around voluntary support on day of discharge to reduce need for care or reablement and reduce readmission.

In West Essex, HWE ICB will act as lead commissioner on schemes in Essex including the following:

- x. **Facilitating effective discharge via the Transfer of Care Hub function within the Care Co-ordination Centre (CCC)** – recruit 4x Community Support Workers for the 4 months of winter (£72,500)
- xi. **CCC access to Nerve Centre** - £15,500 for 23 licenses
- xii. **Discharge Support fund (PHB)** to allow a one-off patient for patients to purchase, services or equipment to support discharge from hospital (£40,000)
- xiii. **Improving Discharge to Assess (D2A ) offer in West Essex** – includes the commissioning of services by cohorting beds and providing a D2A Wrap Around service
- xiv. **Night service extension of Integrated Care Team (ICT) to support Discharges** (£97,000)

## 6. Metrics

- 6.1 The Government has issued guidance that local areas will be judged on how they use funding in a way that makes a positive difference to the following metrics;
  - a. the number of care packages purchased for care homes, domiciliary care and intermediate care (to be collected via a new reporting template);
  - b. the number of people discharged to their usual place of residence (existing BCF metric);
  - c. the absolute number of people 'not meeting criteria to reside' (and who have not been discharged);
  - d. the number of 'Bed days lost' to delayed discharge by trust (from the weekly acute sitrep); and
  - e. the proportion (%) of the bed base occupied by patients who do not meet the criteria to reside, by trust.
- 6.2 The winter discharge fund will support hospital pressures and timely and safe discharges. The metrics are clear that areas will be judged on the number of care packages purchased. However, it is important to state that our local ambition (in line with national policy direction and trends) is for more people to be supported at home; we want to reduce permanent admissions into residential care, especially where those admissions are avoidable. Nothing in this decision changes that local ambition.

## 7. Options

***Option 1: Approve decision and agree delegation of the section 75 agreements and spending plans (recommended)***

- 7.1. This would allow Essex to access the winter discharge fund and progress schemes. It allows Essex to meet the criteria to access the second element of the discharge fund in January i.e. submit a plan by 16 December.

***Option 2: reject the decision and delegation of the section 75 agreements (not recommended)***

- 7.2. This would not enable the schemes set out in this paper to be implemented. It would also place at risk the securing of the second tranche of the discharge fund (worth £6.2m across Essex).

***Option 3: Partial approval, allowing agreement on schemes within the financial value of the first tranche of allocations but requiring future approval of the second tranche (not recommended)***

- 7.3. This does have advantages, including enabling ECC and NHS partners act on the basis of confirmed allocations and would enable greater transparency. However, this is likely to prove impractical in practice. Most schemes require weeks to mobilise / de-mobilise. If announcements on the second tranche are delayed, schemes would need to be paused and then restarted – causing disruption. The Council would also likely need to progress any decision on urgent grounds again, as soon as funding is confirmed. In theory, this approach makes logical sense; in practice, it will create uncertainty for NHS and social care providers and create additional work.

## **9. Links to Essex Vision**

- 9.1 This report links to the following aims in the Essex Vision

- Enjoy life into old age
- Provide an equal foundation for every child
- Strengthen communities through participation
- Develop our County sustainably
- Connect us to each other and the world
- Share prosperity with everyone

*For more information visit [www.essexfuture.org.uk](http://www.essexfuture.org.uk)*

- 9.2 This links to the following strategic aims in Everyone's Essex

- The economy
- The environment
- Children and families



- Promoting health, care and wellbeing for all the parts of our population who need our support

## 10. Issues for consideration

### 10.1. Financial Implications

10.1.1 ECC is the pooled fund host for the Essex BCF. The BCF plan for 2022/23 was submitted to NHS England in compliance with the policy framework and planning requirements published in July 2022, with total planned expenditure of £172.8m (Cabinet decision FP/482/08/22).

10.1.2 The documents published by DHSC on 18 November 2022 related to the ASC Discharge Fund included an addendum to the 2022/23 BCF framework. This states the requirement for local authorities and ICBs to pool allocations in the local BCF, meaning that the relevant section 75 agreements for 2022/23 now need to be revised. The deadline for these agreements to be signed and in place has been extended to 31 January 2023.

10.1.3 The total ASC Discharge Fund allocations are set out in the following tables. The total allocation amounts to £20.278m, with £10.399m of that to be pooled in the Essex BCF. The proposed Essex schemes are also shown below.

| Organisation       | Total Allocation  |                   |               | Essex BCF         |                   |               |
|--------------------|-------------------|-------------------|---------------|-------------------|-------------------|---------------|
|                    | Tranche 1<br>£000 | Tranche 2<br>£000 | Total<br>£000 | Tranche 1<br>£000 | Tranche 2<br>£000 | Total<br>£000 |
| ECC                | 1,973             | 2,960             | <b>4,933</b>  | 1,973             | 2,960             | <b>4,933</b>  |
| MSE ICB            | 1,286             | 1,929             | <b>3,215</b>  | 894               | 1,341             | <b>2,235</b>  |
| SNEE ICB           | 1,726             | 2,589             | <b>4,315</b>  | 644               | 965               | <b>1,609</b>  |
| HWE ICB            | 3,126             | 4,689             | <b>7,815</b>  | 649               | 973               | <b>1,622</b>  |
| <b>Grand Total</b> | <b>8,111</b>      | <b>12,167</b>     | <b>20,278</b> | <b>4,159</b>      | <b>6,239</b>      | <b>10,399</b> |

| Proposed schemes             | Commissioner | Funding Source  | £000          |
|------------------------------|--------------|-----------------|---------------|
| Investment in care workforce | ECC          | LA allocation   | 4,443         |
| Incentive payments           | ECC          | LA allocation   | 490           |
| Mental Health support        | ECC          | ICB allocations | 350           |
| Increase ARC                 | ECC          | ICB allocations | 121           |
| Cedars extension             | ECC          | ICB allocations | 176           |
| Additional beds at Parkview  | ECC          | ICB allocations | 33            |
| Domiciliary care round       | ECC          | ICB allocations | 123           |
| North Essex local services   | ECC          | ICB allocations | 710           |
| West Essex local services    | ECC          | ICB allocations | 249           |
| Other local schemes          | ICBs         | ICB allocations | 3,704         |
| <b>Total</b>                 |              |                 | <b>10,399</b> |

- 10.1.4 Up to 1% of the total allocation (local authority and ICB) may be used for reasonable administrative costs associated with distributing and reporting on this funding. This would be £49,000 for the ECC allocation (included in the £4.4m investment in care workforce in paragraph 5.2), and the maximum value is expected to be utilised through resourcing the additional staffing requirement.
- 10.1.5 The first payments related to investment in the care workforce will be restricted to 40% of the total £4.4m planned spend (i.e. £1.8m) to ensure that it is contained within the first tranche of funding.
- 10.1.6 The estimated value of the incentive scheme (£490,000) is based on a combination of historic trends and predicted behaviour of providers on our frameworks in response to the additional payments.
- 10.1.7 There is a risk that, following the review in January, the second tranche of funding will be less than 60% of the maximum allocation. Should this occur, action will be taken to adjust or cease proposals as appropriate to meet the reduced financial envelope.
- 10.1.8 The fund may only be used to cover expenditure up to 31 March 2023. It is expected that all agreed schemes will be subject to an exit plan ensuring either that expenditure is not committed into the 2023/24 financial year or only permitted on the basis that an alternative funding source is identified.

## 10.2 Legal implications

- 10.2.1 The ECC funding is to be used in three ways. The legal implications of each are different.
- 10.2.2 **Investing in the care work force.** This funding is to be used by providers to enhance the workforce either by making payments to staff or support recruitment. It is important that the money is spent correctly and not just used to bolster the funds of care providers. Therefore it is important that providers enter into a legally binding commitment to comply with the council's requirements.
- 10.2.3 **Incentive payments for providers.** This funding is to be used to provide financial encouragement for providers to take up care packages which they otherwise may not. It will be open to all providers, with priority given to those on the framework. This is a response to market pressures and is a lawful response to it.
- 10.2.4 **Commissioning enhanced or additional services.** This will see new contracts being entered into and possibly existing contracts changed. This report does not include any analysis of the proposals. Decisions relating to contracts will be made using delegated powers and will need to comply with procurement and subsidy control law. Specific legal advice will be required.

## 11. Equality and Diversity implications

11.1 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.

11.2 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).

11.3 The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

## 12. List of appendices

Appendix 1 – Winter Discharge Fund 2022/23 guidance and allocations

Appendix 2 – Equality Impact Assessment

## 13. List of Background papers

BCF Planning Template

| Role   | Date            |
|--|-----------------|
| <b>Councillor John Spence, Cabinet Member for Health and Adult Social Care</b>   | 9 December 2022 |
| <b>Executive Director for Corporate and Customer Services (S151 Officer).</b><br><b>Stephanie Mitchener on behalf of Nicole Wood</b> | 9 December 2022 |

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| <b>Director, Legal and Assurance (Monitoring Officer)</b><br><b>Paul Turner</b> | 9<br>December<br>2022 |
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In view of the timescales within which this decision has to be implemented I agree that it is in the best interests of the Council for this decision to be implemented urgently and therefore this decision is exempt from call-in pursuant to paragraph 20.15(xix)(a) of the constitution.

Cllr Chris Pond  
Chairman of the Corporate Policy and Scrutiny Committee

10 December 2022