

Forward Plan reference number: Not applicable

Report title: Funding for Adult Social Care: COVID 19 Response	
Report to: Councillor John Spence, Cabinet Member for Health and Adult Social Care	
Report author: Nick Presmeg - Executive Director for Adult Social Care	
Date: 2 July 2020	For: Decision
Enquiries to: Laura Davis-Hughes, Head of Finance - Adult Social Care	
County Divisions affected: All Essex	

1. Purpose of Report

- 1.1 To agree to extend the use or extend the time period for funding received by Adult Social Care in previous urgent decisions in response to the COVID-19 crisis including those related to:
- Homecare provision (FP/654/03/20),
 - Day Care services (FP/662/03/20),
 - securing personal protective equipment (PPE) (FP/679/04/20),
 - additional care technology supporting vulnerable service users (FP/677/04/20) and
 - support for COVID-19 related expenses incurred by care providers (FP/690/05/20).

2. Recommendation

- 2.1 That the period for which the Council will support people in receipt of direct payments who need to make alternative provision as a result of COVID 19 be extended from 16 July 2020 to 30 September 2020 and that this be funded from the remaining balance of the £2.5m funding from decision FP/654/03/20, to sustain care and support to people on Direct Payments, (total decision value £11.4m)
- 2.2 That the period for which the Council will support domiciliary care providers by agreeing that they can under- or over-provide hours by up to 25% where this is the most effective way of meeting overall need be extended from 16 July 2020 to 30 September 2020 and that this be funded from the remaining balance of the £1.4m funding from decision FP/654/03/20 (total decision value £11.4m) .
- 2.4 That the remaining balance of the £5.6m funding from decision FP/662/03/20 be permitted to be used to meet the additional costs incurred by providers in re-opening Day Centres to comply with required measures to minimise the risk of infections or in adhering to government guidance. These costs may include additional PPE, transport, social distancing measures and signage, provided that such claims may only be paid if the Council is satisfied that they are for expenses which they would not otherwise have incurred.

- 2.5 That the scope of the £2m funding from decision FP/679/04/20, to secure necessary PPE, be extended to include establishing a reserve stock of PPE for the Council in preparation for a future wave or should a similar emergency occur.
- 2.6 That the eligibility for the technology funded from the £1.2m approved in decision FP/677/04/20 be extended to include support to other vulnerable people as part of measures to prevent, reduce and / or delay the escalation of need and potential demand on statutory services.
- 2.7 That the period for which the Council will support care providers by agreeing to reimburse additional costs for PPE etc be extended from 8 July 2020 to 30 September 2020 and that this be funded from the remaining balance of the £12m funding from decision FP/690/05/20 and that this funding also be available to meet internal costs of administering the claims process, if required.
- 2.8 Agree that the Executive Director for Adult Social Care can extend these facilities beyond 30 September 2020 if he is satisfied after consulting the Monitoring Officer and the Section 151 Officer that the facilities are still required and the funding outlined above remains available.

3. Summary of Issue

Context

- 3.1 Several urgent decisions were taken in Adult Social Care at the start of the crisis in order to ensure funds were in place to ensure that the Council could support the care sector to respond effectively to the COVID-19 pandemic. Due to multiple reasons, the expenditure incurred against many of the early decisions has so far not been at the level predicted when the recommendations were first proposed. Some arrangements are also due to come to an end in July 2020, while pressures remain.
- 3.2 As the situation unfolds, new information continues to provide a better understanding of the changing demands and requirements. While the forecast picture still holds much uncertainty, it is still the case that support to the care market will need to continue during what is a volatile time. The service has consequently revisited the scope of previous decisions in order to review the support that is in place and recommend where this can be extended to support the market for a longer period of time or in a wider sense but still within the originally agreed envelope.
- 3.3 In March 2020, an urgent decision providing extra support to the domiciliary care sector had set a time restraint of 4 months to sustain support to those that manage their own personal budgets and to allow homecare providers to vary individual care packages by up to 25% up or down. The service is proposing to extend these support arrangements to 30 September 2020 but within the

existing funding envelope given that those full funds have not yet been used by the market.

- 3.4 Also taken in March 2020, the urgent decision to support Day Care focused on supporting vulnerable service users with alternative provision while Day Centres were closed as well as the sustainability of providers. As workplaces open again, the service is seeking to extend the scope of the original decision to incorporate additional costs of re-opening day centres to comply with latest COVID-19 workplace guidance from Government. This could include the costs of PPE, additional workforce pressures, cleaning, signage and transport services that may be necessary to safely open a day centre. The Council will need to ensure that claims for these additional costs are evidenced.
- 3.5 The urgent decision in April 2020 to secure PPE to support the Council and care providers addressed the immediate need to source the necessary equipment in line with Public Health England guidance, at that time, to ensure stock was available while supply chains recovered. The service is proposing to expand the scope of that decision to include the ability to hold a permanent stock of PPE for the Council should a future COVID-19 wave or similar situation occur, following lessons learned from the logistical difficulties and uncertainty of deliveries of PPE during that time.
- 3.6 The urgent decision in April 2020 was to allow the Council to enter a contract, on an emergency basis, for remote monitoring software to enable continuity of care delivery to vulnerable adults via a virtual delivery model. Whilst this scope has not changed, as we move into recovery and transit through the COVID-19 disruption states it's becoming increasingly clear that there is value in deploying care technology to some of the most vulnerable members of society, including those in care homes, individuals leaving hospital or people living in the community who are digitally excluded, as a preventative tool and in doing so there is a need to tap into the people and services who are closest to the person. Those who have limited access to health, care and community services, those with a fragile informal care network, those presenting with increased risk as a result of COVID-19 and those whose existing services lend themselves to virtual delivery will be prioritised for the remaining units. The full value of the decision has already been spent on this equipment, but this will enable a wider cohort to benefit from this extension on who that equipment can go to.
- 3.7 The urgent decision in May 2020 to support care providers for additional costs incurred due to COVID-19 through a claims process originally set a timeline of 16 weeks spanning 19 March 2020 – 18 July 2020 inclusive. The service is proposing to extend this arrangement to 30 September 2020 but within the existing funding envelope as claims to date do not equal the total funding allocated and so the Council is able to provide further opportunity for the market to recover costs incurred relating to COVID-19. If there is need to bring in additional resource to support this extension of the process it is proposed that this is paid from within the envelop already set out.

4. Options

4.1 Do Nothing

The Council has received £63.6m as un-ringfenced grants from the Ministry of Housing, Communities and Local Government (MHCLG) with an expectation that a large proportion be deployed in meeting increased demand for adult social care and additional support to social care providers who are responding to COVID-19. If not reviewed, the funding commitments made in early urgent decisions will fall short of their original intention due to their limitations, risking inadequate support to vulnerable residents, including through multiple providers potentially exiting the market, as well as reputational damage to the Council.

4.2 Redefine the scope of previous urgent decisions in order to ensure a continued effective response to the COVID-19 crisis (recommended)

Original Decision	Reference	Value	Revision of purpose
<u>Homecare</u> Support for people on Direct Payments, support for 4 months. Domiciliary care, ability for providers to flex packages up or down by up to 25% without approval where needed for 4 months.	FP/654/03/20 (total decision value is £11.4m but there is no change proposed to the other elements of the decision)	£2.5m £1.4m	Extend time period to 30 September 2020. Contain within existing budget envelope. Extend time period to 30 September 2020. Contain within existing budget envelope.
<u>Day care</u> Alternative support to service users for 6 months.	FP/662/03/20	£5.6m	Expand scope to include measures that would support the phased reopening of Day Centres.
<u>Claims process for providers additional expense (not covered by infection control fund)</u> Reimbursement of additional costs for 16 weeks.	FP/690/05/20	£12.0m	Extend to 30 September 2020 and use to pay for any additional internal resource required for to administer the process. Contain within existing budget envelope,
<u>PPE</u> Source immediate need to assist while supply chains recover.	FP/679/04/20	£2.0m	Expand scope to include having a reserve of PPE for ECC and the care market in case of a COVID-19 future wave or similar situation. Contain within existing budget envelope,
<u>Care Technology</u>	FP/677/04/20	£1.2m	Expand scope to include support to other vulnerable

Virtual care delivery model.			people as part of measures to prevent, reduce and or delay the escalation of need and potential demand on statutory services. Contain within existing budget envelope,
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5. Financial Implications

- 5.1 The recommendations are contained within the original budget envelope set in each decision. If extending timelines means that costs ramp up above the envelope the offer will either be withdrawn earlier than set out or another decision will be required to access more funding to support. Spend to date against the decisions is lower than originally anticipated, mainly due to actual demand being much reduced compared with the forecast assumptions earlier in the pandemic.
- 5.2 The value of £12m funding mentioned at 2.7 for the claims process was arrived at based on the estimated cost should all applicable providers submit claims for net pressures worth 10% of their usual monthly payment (the maximum value). The recommended extension to the time period will allow for a higher potential total value of claims for reimbursement, the cap remaining at 10%. However, this risk is much reduced when considering:
- Total claims received to date have been much lower than the potential maximum value.
 - Since the original decision, additional funding has been made available to many providers that would reduce net claimable costs, for example the Infection Control fund or access to the PPE Portal.
 - There is currently a much lower prevalence of the virus compared with the peak of the outbreak which will reduce some additional costs, for instance workforce absence due to self-isolation.
- 5.3 The additional staff resource to monitor and agree claims for reimbursement will be required for longer due to the recommendation to extend the time period. The expectation remains that this will largely be achieved through redeployment of staff rather than through incurring additional costs but if required, additional costs will be funded from within the £12m..
- 5.4 There could be a risk of open-endedness if the financial challenges during the COVID-19 period continue beyond 30 September 2020 and expectation has been set that the same level of support will continue to be available. Continual communications with the market will make the end date clear.

6 Legal Implications

- 6.1 The decisions in this report maintain current exceptional spending which is capable of justification under regulations 72 or 32 of the Public Contracts Regulations 2015. However, this needs to be very urgent and as time goes on the use of the urgency powers needs increasingly careful justification. It will therefore be important that any extension beyond 30 September 2020, particularly of those measures which are capable of conferring a windfall benefit on businesses are carefully justified.
- 6.2 Many of the schemes outlined in this decision are capable of amounting to state aid but can be justified if they are to repair the damage done by disaster or other similar situation

7 Equality and Diversity Implications

- 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 An EQiA has not been completed for this decision but no elements of it are thought to adversely affect anyone with the protected characteristics.

8. List of Appendices

None

9. List of Background Papers

None

I approve the recommendations set out above for the reasons set out in the report.	Date
Councillor John Spence, Cabinet Member Health & Adult Social Care	02 July 2020

In consultation with:

Role	Date
Executive Director of Adult Social Care Nick Presmeg	26 June 2020
Executive Director for Finance and Technology (S151 Officer) Stephanie Mitchener on behalf of Nicole Wood	01 July 2020
Director, Legal and Assurance (Monitoring Officer) Paul Turner	01 July 2020