

**Forward Plan reference number:** Not applicable

<b>Report title: Funding for Adult Social Care: COVID 19 Response</b>	
<b>Report to: Councillor David Finch, Leader of the Council</b>	
<b>Report author:</b> Nick Presmeg Executive Director for Adult Social Care	
<b>Date:</b> 9 April 2020	<b>For:</b> Decision
<b>Enquiries to:</b> Laura Davis-Hughes, Head of Finance Adult Social Care	
<b>County Divisions affected:</b> All Essex	

## **1. Purpose of Report**

1.1 To agree additional funding for adult social care for the purposes of:

- a) Providing extra equipment supply to support people home from hospital
- b) Supporting the wider health and social care system by moving to seven-day working for social workers and equipment deliveries.

These will help us to achieve the timely discharge of people from hospital to include weekends, and with sufficient equipment, during the COVID-19 emergency.

## **2. Recommendation**

2.1 That £4m be drawn down from General Balances in 2020/21 to:

- (a) Ensure that the Integrated Community Equipment Service, commissioned by Essex County Council (the Council) with Essex Cares Limited (ECL), is mobilised to offer a seven-day service to all partners (up to a maximum of £668,000 for six months)
- (b) Ensure that additional equipment is purchased to support increased needs that are occurring as a result of the crisis (up to a maximum of £2m)
- (c) Fund the cost of Adult Social Care staff to seven-day working to support the hospital discharge process (£1.3m for six months).

2.2 Authorise the Executive Director for Adult Social Care to make any consequential changes necessary to the following agreements relating to the equipment service:

- (a) The agreement with Essex Cares Limited; and
- (b) The agreements under section 75 of the National Health Service Act 2006 with the partners with whom we jointly commission the equipment service.

## **3. Summary of Issue**

### **Context**

- 3.1 The global outbreak of coronavirus (COVID-19) is affecting the UK. The number of cases has grown significantly since early March. The frail and elderly are the most vulnerable. The health and care sectors are significantly affected and face high demand and pressures on workforce due to COVID-19 related absences.
- 3.2 Urgent preparation, to ensure an effective response to 'COVID-19', is taking place across the council and with local NHS partners. We need to:
- Ensure the safety and wellbeing of people in Essex and our most vulnerable residents
  - Maintain statutory duties.
- 3.3 A new contract with ECL started with effect from 1 April 2020, to provide the Integrated Community Equipment Service (ICES), as agreed by Cabinet in January 2020. The service provides equipment funded by either health or social care to allow frail, elderly or physically disabled people to live independently in their own home. The ICES is operated as a partnership between the Council, Thurrock Council, Castle Point and Rochford, Basildon and Brentwood, Thurrock and Mid Essex CCGs, Mid Essex Hospital Services NHS Trust and North Essex NHS Foundation Trust. Funding and delegation of function from these Partners is via Section 75 and Section 101 Agreements. The Council contracts the services from ECL.
- 3.4 In order to achieve swift discharge of patients from hospital, the council is taking action to move to seven-day working. This decision focuses on the provision of equipment to support discharge and seven-day system working for staff. Staff will work on a three-week rota and salaries of frontline staff who work in this way will be paid a flat-rate enhancement of 6%.
- 3.5 The COVID-19 Hospital Discharge Service Requirement guidance published on 19 March 2020 includes the following responsibilities for Adult Social Care:
- Redeploy social work staff from the hospital setting to community settings to support discharged patients
  - Provide social care capacity to work alongside local community health services to provide a single point of contact for hospital staff
  - Provide capacity to review care provision and change if necessary, at an appropriate point
  - Work closely with health providers over the provision of equipment
  - Ensure there is 7 day working for community social care teams
  - Deploy adult social care staff flexibly in order to avoid an immediate bottleneck in arranging step-down care and support in the community and at the same time focusing on maintaining and building capacity in local systems.
- 3.6 It is estimated that an additional £2m may need to be spent during the crisis period in order to increase stocks of high frequency items of equipment associated with hospital discharge. This would not all be ordered in one go to ensure that over-ordering does not occur. This is partly as there will be increased demand, but also because there will be reduced capacity during the

crisis for existing stock to be collected, refurbished and cleaned to appropriate standards (the Council will continue to explore the option of volunteer use for these collections to improve stock balances). In addition, there is a lot of demand in the equipment supply market at present, which is impacting availability and therefore increasing prices.

- 3.7 We are seeking to mobilise ECC or volunteer resources who can be redeployed to fulfil collection of stock items wherever possible. However, the practicalities of this need further work in terms of infection control and logistics. Items collected by alternative resources will still need to be decontaminated and refurbished appropriately, by ECL, before being reissued, which ECL may not have the capacity to undertake during the crisis.
- 3.8 The activity charging from the partnership will need to increase in order to reimburse ECC for the equipment purchased over and above normal levels. Given we expect demand to be rising we would expect the activity charging to increase.
- 3.9 Purchasing this stock now means that ECL will not need to purchase as much stock as they normally would in the future. We will continue to use returns as far as possible before any additional purchases are made after this emergency period. This is likely to mean that stock purchasing costs will be lower for some time after the crisis, which would mitigate part of this cost, however, this could take some time and go into future financial years.
- 3.10 The high purchasing level proposed now will increase the fee paid by the partnership to the stock supplier now but will be mitigated in the future by lower stock purchases.
- 3.11 The Council will keep demand for equipment and staffing under review with ECL with the ability to flex up and down over the period at short notice as required. Ultimately we will be charged by ECL on actual use but this gives them the ability to re-plan rotas and change shift patterns.
- 3.12 ECL have assured us that additional storage charges for increased stock will not be required.

#### **4 Reason for Using Urgency Powers**

- 4.1 The council is expecting extremely challenging conditions as COVID-19 takes effect. Adult Social Care needs to be able to take all necessary action to fulfil its duties during this period and to support and reassure NHS partners of its capacity to do so.
- 4.2 Following on from the Budget on 11 March, the Chancellor made another announcement on 17 March which reiterated the government's commitment to support with whatever resources the NHS needs, and we are taking this to include support from Local Authorities.

- 4.3 It is expected that Central Government will therefore support costs outlined in this report. However, the allocation methodology for this, how much ECC will receive and when we will receive it has not been confirmed. Given the urgency of the need to support rapid discharge from hospital, the Council cannot wait for that announcement. In the interim the costs will be covered by the Council's General Balance.

## **5 Financial Implications**

- 5.1 Funding is requested in this report to meet the expected expenditure demand of £4m set out in table 1; this will be constantly reviewed over the coming weeks and months.
- 5.2 The expected cost of moving the ECL equipment service to 7-day working, alongside increased demand for the service, is up to £668,000 for 6 months. The additional capacity will be delivered through asking the equipment staff to work longer weeks. In order to incentivise the existing ECL equipment-service workforce to provide seven-day working ECL will pay staff double-time rates at the weekends. It should be noted that charges will be levied based on actual activity so the cost will be demand-led. The estimated costs are built on a number of assumptions around the number of workers per day as assessed by ECL based on working at 50% of capacity over weekends and bank holidays.
- 5.3 It is estimated that an additional £2m may need to be spent during the crisis period in order to increase stocks of high frequency items of equipment associated with hospital discharge. This would be a cost ceiling – we will pay based on actual activity and equipment ordered.
- 5.4 The cost of moving social work teams to 7-day working through the implementation of a rota is estimated to be £1.3m for a six-month period. Staff will work on a three-week rota and salaries will be subject to a flat-rate enhancement of 6%. A three-month 7-day working arrangement was agreed by Corporate Leadership Team on 31 March.
- 5.5 The additional costs highlighted in this paper are anticipated to be recovered through the Essex allocation of the £1.3bn funding announced by Department of Health and Social Care on 19 March as the costs are incurred to support the discharge of patients from hospital. This funding is accessed via Essex CCGs and the Council is working with these organisations on the logistics and parameters of reclaim of costs.
- 5.6 It is essential that the Council makes emergency funds available pending agreements with CCGs and hereby the call on General Balance is recommended. The expectation is that the General Balance will be replenished from the emergency funds made available by Government in the short term to ensure resilience for other areas.

Table 1

Item	Description	Estimated Cost	Budget Requirement	Comments
Community Equipment Service	For additional capacity, including 7-day working	£231,000-£668,000	£668,000	This estimate is based on the expected cost of ECL providing 7-day working for 18-26 weeks, along with an estimate of increased activity costs on weekdays during the crisis. Weekend capacity is estimated to be 50% of current weekday capacity. This will be charged based on actual activity and could be flexed up or down depending on demand.
	To build up equipment stock required to respond to the crisis	£2m	£2m	<p>This estimate is based on 3 to 6 months of average equipment purchasing costs, required to increase key stock in the system. We would pay on actual equipment ordered up to this maximum value</p> <p>This cost should be mitigated in the future as it is likely that purchasing levels will reduce to below the average purchases made before this pandemic. This mitigation may, however, fall into future years.</p>
Move Adult Social Care staff to 7-day rota	To pay for salary enhancements for rota	£1.3m	£1.3m	This estimate is based on the cost for a six-month period
			<b>TOTAL £4M</b>	

## **6 Legal Implications**

- 6.1 The proposals in this report involve variation to contracts on a temporary basis. These are contracts with Essex Cares Limited which is outside the scope of the Public Contracts Regulations 2015 as it is wholly owned by the Council.
- 6.2 The constitutional basis for making this decision is that the Chairman of the Corporate Policy and Scrutiny Committee has agreed that it is urgent and cannot reasonably be deferred, this decision will need to be reported to full Council for information.

## **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 The recommendations in this report are designed to ensure that the Council meets the need of social care users, most of whom are disabled. In view of the urgency of this decision a full equality impact assessment has not been undertaken but 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

<b>I approve the recommendations set out above for the reasons set out in the report.</b>	<b>Date</b>
<b>Councillor David Finch, Leader of the Council</b>	<b>09.04.20</b>

**In consultation with:**

<b>Role</b>	<b>Date</b>
<b>Cabinet Member Health and Adult Social Care</b>	08.04.20
<b>Councillor John Spence</b>	
<b>Executive Director of Adult Social Care</b>	8.4.20
<b>Nick Presmeg</b>	
<b>Executive Director for Finance and Technology (S151 Officer)</b>	08.04.20
<b>Stephanie Mitchener on behalf of Nicole Wood</b>	
<b>Director, Legal and Assurance (Monitoring Officer)</b>	8 April 2020
<b>Paul Turner</b>	

**Exemption from call in and being included on the forward plan**

I agree that this key decision is urgent and cannot reasonably be deferred and therefore that it may be taken without it being on the forward plan.

I also agree that it is in the best interests of the Council for this decision to be implemented urgently and therefore this decision is not subject to call in (paragraph 20.15(xix) of the constitution applies).

**Councillor Mike Mackrory – Chairman of the Corporate Policy and Scrutiny Committee**

**Dated: 16 April 2020**