

COVID 19 HEALTH AND CARE CELL
DATE: 7TH APRIL 2020

DECISION REQUEST / PROPOSAL	Adult Social Care Provider Sector Financial Support
DECISION PROPOSED BY	Jason Oxley
SERVICE AREA AFFECTED	Adult Care and Health
IDENTIFIED CRITICAL SERVICE Y/N	Yes

1. DECISION SUMMARY

To increase fee rates across the care sector, as detailed in the report, for a period of 6 months with effect from 1st May 2020, above the fee rate increase approved by Members in March 2020 as part of the annual fee rate review process, to financially support the care provider market in order to promote service capacity and sustainability during the national Covid-19 pandemic emergency.

This decision will support the priority to (delete as appropriate):-

1. Preserve life
2. Protect the vulnerable people in our communities
4. Support local businesses and the economy

2. INFORMATION AND INTELLIGENCE SUMMARY

- The Council’s Adult Care and Health service have a statutory duty to meet assessed eligible care needs for people under the Care Act 2014.
- The Care Act 2014 places a duty on Councils to support a responsive and resilient care provider market.
- Government issued NHS COVID Discharge Guidance on 19th March 2020, requiring NHS discharges from hospital to take place within 3 hours of a person being deemed medically fit. This guidance requires the provision of sufficient care home bed capacity and domiciliary care package availability to release capacity in the hospitals for expected surge in admissions of people with Covid -19 illness.
- There will be a similar surge in demand from people who live in the community and who become ill, requiring additional care and support services.
- Monitoring of independent care providers demonstrates additional costs to the whole sector particularly due to: increased staffing costs (staff self-isolating and providers needing to pay additional staff to cover shifts), additional costs for cleaning products for infection control, additional costs related to procurement and use of Personal Protective Equipment (PPE) and additional costs associated with food supply and transport.

- North West Association of Directors of Adult Social Care have issued guidance to Directors to ensure that care providers are supported financially to sustain increase capacity and to support providers to maintain their ability to meet the needs of people supported.
- The Council fully rely on the independent care sector for provision of care services in Wirral and commissioners recognise the additional costs to the care sector at this time of pandemic coronavirus outbreak.
- Other Councils are making, or are considering making, payment increases to care providers to support and sustain the market.
- A one-off payment to care home providers has recently been implemented in Wirral as a gesture of support to the care home market. It is necessary to financially support the wider market on a longer term basis to promote service capacity and sustainability.

It is proposed to increase fee rates across the care sector, above the fee rate increase approved by Members in March 2020 as part of the annual fee rate review process. Care providers are experiencing current additional costs as described above, and particularly due to significant pressures related to staffing costs and staff availability.

The proposal is attached, and is summarised below:

- **Application of enhanced rates for a period of 6 months with effect from 1st May 2020, and subsequent review.**
- **Payment on planned services to continue for this period, with retrospective reconciliation between planned and actual service delivery to apply for the duration.**
- **Standard Fee rates to be increased, as per the attached detail, for Residential and Nursing Care Homes, Supported Independent Living providers, Direct Payment rates, Reablement, Mobile Nights and Domiciliary Care providers. Fee rate increases would not apply for individually block booked commissions that are currently in contract.**
- **The proposed fee rates ensure a sufficient payment rate for all providers to pay the Real Living Wage to their employees (currently £9.30).**
- **The average increase is 7.4% above the current fee rates.**
- **The cost is estimated to be £2.9M for the 6 month period 1st May to October 31st.**

3. RISK ASSESSMENT / H&S AND STRATEGY FOR IMPLEMENTING DECISION

No full risk assessment has been undertaken.

Risks with not financially supporting the care market are:

- Reduced capacity to meet assessed eligible needs of people requiring support.
- Reduced hospital discharges.
- Market supply failure.
- Health and care system blockages.
- People remaining in hospital when fit for discharge and at risk of deterioration.
- People remaining at home without necessary care and support services.

4. WHAT POWERS, POLICIES AND PROCEDURES HAVE BEEN CONSIDERED

- The Council's Adult Care and Health service have a statutory duty to meet assessed eligible care needs for people under the Care Act 2014.
- The Care Act 2014 places a duty on Councils to support a responsive and resilient care provider market.
- Government issued NHS COVID Discharge Guidance on 19th March 2020, requiring NHS discharges from hospital to take place within 3 hours of being deemed medically fit. This guidance required the provision of sufficient care home beds to release capacity in the hospitals.

5. IDENTIFICATION OF CONTINGENCIES OR OTHER OPTIONS

Alternative methods of support are also being provided.

Support with recruitment, with volunteer staff, with Personal Protective Equipment and cleaning products, with procurement, by payment on a planned care basis (supporting cashflow) and by reduced reporting and contract monitoring at this time of emergency pandemic.

With the support in place to the care sector as above, care providers are reporting continuing, and escalating, significant pressures affecting market supply sustainability at this time of pandemic emergency.

6. FINANCIAL IMPLICATIONS (APPROXIMATE / PROJECTED)

Total cost estimated to be: **£2.9M**. Details in table below.

Fee	Unit	2020-21 Approved Fee Rate	2020-21 Proposed COVID Fee Rate	Fee Increase from Approved 2020-21 Fee Rate	% Fee Increase from Approved 2020-21 Fee Rate	Estimated Additional Annual Budget Pressure	Estimated Additional Six Month Budget Pressure
Supported Living - Day Time Rate	Hourly	£15.55	£16.76	£1.21	7.8%	£1,864,000	£932,000
Supported Living - Night Time Rate	Per night	£105.27	£113.58	£8.31	7.9%	£54,000	£27,000
Extra Care	Hourly	£13.60	£14.66	£1.06	7.8%	£56,000	£28,000
Residential Care (Long Term)	Weekly	£484.00	£506.00	£22.00	4.5%	£727,000	£363,500
Residential EMI (Long Term)	Weekly	£540.00	£566.00	£26.00	4.8%	£356,000	£178,000
Nursing Care (Long Term)	Weekly	£524.00	£549.00	£25.00	4.8%	£353,000	£176,500
Nursing EMI (Long Term)	Weekly	£542.00	£568.00	£26.00	4.8%	£303,000	£151,500
Domiciliary Care	Hourly	£16.31	£17.43	£1.12	6.9%	£1,106,000	£553,000
Direct Payments	Hourly	£12.70	£13.75	£1.05	8.3%	£797,000	£398,500
Reablement	Hourly	£16.31	£17.43	£1.12	6.9%	£52,000	£26,000
Mobile Nights (block)	Hourly	£16.90	£18.06	£1.16	6.9%	£53,000	£26,500
Residential Care (Short Term)	Weekly	£484.00	£506.00	£22.00	4.5%	£107,000	£53,500
Nursing Care (Short Term)	Weekly	£524.00	£549.00	£25.00	4.8%	£52,000	£26,000
Res T2A	Weekly	£537.00					
Res EMI T2A	Weekly	£620.00					
Nurs T2A	Weekly	£794.00					
Nurs EMI T2A	Weekly	£851.00					
Total Increase						£5,880,000	£2,940,000

Name of Finance Officer involved in decision: Mark Goulding

7. LEGAL IMPLICATIONS

The proposed fee rates increase is above the annual fee rate increases decided upon by Members at Joint Strategic Commissioning Board in March 2020 and is in response to the national pandemic emergency and local market factors.

DECISION PRESENTED TO Adult Health and Care Cell ON	Date 7.4.2020
DECISION OF Health and Care Cell Chair	APPROVED REJECTED MORE INFO REQUIRED