

**DERBYSHIRE COUNTY COUNCIL**

**CABINET**

**23 April 2020**

**Report of the Executive Director for Adult Social Care and Health**

**TEMPORARY FUNDING FOR ADULT SOCIAL CARE PROVIDERS  
DURING THE COVID 19 CRISIS**

**ADULT CARE**

**1. Purpose of the Report**

To seek Cabinet approval to increase payments on a monthly basis for the following service areas from 1 April 2020:

- Standard Residential and Nursing Care Home fees by 10%
- Specialist Care fees by a value equivalent to the standard nursing or residential fees increase.
- Hourly Home Care and hourly Supported Living Payments by 10%

The Executive Director of Adult Social Care and Health to have delegated powers to make a decision following discussion and agreement with the Director of Finance and ICT and Cabinet Member for Adult Care to extend the additional funding agreement beyond April 2020 on a month by month basis for up to three months in response to ongoing concerns about Covid 19.

**2. Information and Analysis**

**2.1 Background**

Shared guidance to local authority commissioners from the Association of Directors of Adult Social Services (ADASS), the Local Government Association (LGA) and the Care Provider Alliance (CPA) was made on the 13 March 2020. This was made in response to the requests from Commissioners and Providers that a national approach was needed to provide additional funding to the PVI sector.

<https://local.gov.uk/coronavirus-information-councils/social-care-provider-resilience-during-covid-19-guidance-commissioners>

This guidance and related LGA/ ADASS communications supports Local Authorities making an additional 10% fee increase from 1 April 2020 for an initial 1 month to be reviewed on a monthly basis to assist providers with meeting the additional costs associated with Covid 19 in the adult care and health sector. It is acknowledged that providers will be variably impacted by Covid 19 but that it is better to have a standardised approach across the adult care and health sector to fund this market rather than asking each provider to submit evidence of additional costs.

## 2.2 Proposed Actions

- To implement an increase standard residential and nursing care home fees by 10% from 1 April 2020 for an initial 1 month

This would result in weekly increased costs for a residential placement will be between £56- £58 per week for older people. For a nursing placement it will be between £60- £62.

- To increase specialist care fees by a value equivalent to standard nursing or residential fees for an initial 1 month.

The fees for specialist placements are often substantially more than the standard care home fees. The additional funding (top-up) paid for a specialist placement reflects the greater investment in staff and training to meet an individual's needs. It is not appropriate to inflate fees for these services by 10% as this would be a disproportionately greater amount than paid to care homes for older people that are experiencing many more incidents of having staff and clients with Covid 19 or similar. It is therefore suggested that providers are paid the equivalent value as standard care homes.

- To increase hourly Home Care and hourly Supported Living Fees by 10% for an initial 1 month

It is suggested that an additional payment be made equivalent to 10% of the value of all open Purchase Orders, which will give the equivalent of an hourly increase in payment from £1.57 per hour for the home care market and between £1.50 and £2.00 for supported living.

## 2.2 Business Continuity

It is worth noting that there is an inherent risk that if additional payments are not made that the sustainability of individual services may be put at risk. Over half of the providers commissioned to provide care on behalf of Adult Care have made requests for funding to assist with meeting additional costs including spiralling costs of PPE and meeting the costs associated with

backfilling self –isolated staff with agency workers and the additional staffing needed to care for people who are self-isolated, especially in a care home setting.

A number of Providers have also referenced that their services in other parts of the country are being supported financially by their local Council to ensure that they can continue to be sustainable and offer a safe service.

### **3. Financial Considerations**

The additional costs of this payment for April would be approximately £1.645m. This would be a commitment against council resources and partially offset from the non-ringfenced Covid-19 Government Grant. All decisions around meeting Covid-19 costs are unlikely to be fully funded from current Government additional funding available. As such implications will fall on the ability to provide services for the rest of the financial year and into the medium term.

### **4. Legal Considerations**

The Care Act 2014 places a duty on the Council to promote an efficient and effective market. In performing that duty, the Council must have regard to the importance of ensuring the sustainability of the market. Case law is clear that the Council should take steps to ensure that fee levels reflect the actual cost of care and not jeopardise the market or the quality of care. The rates should also take into account the legitimate current and future costs.

The proposal is a proportionate response to the COVID- 19 situation and is reflective of the available guidance. Due to the urgency of the situation it has not been possible to consult fully with affected parties but the decision is a time limited one which will subject to ongoing review.

### **5. Equality and Diversity Considerations**

Providers are required to adhere to Derbyshire County Council's Equal Opportunities policies. The Council also encourages Providers to gain the Derbyshire Respect and Dignity award.

### **6. Other Considerations**

In preparing this report the relevance of the following factors has been considered: human resources, health, environmental, transport, and crime and disorder considerations.

## 7. Key Decision

Yes

## 8. Is it necessary to waive the call-in period?

No

## 9. Officer's Recommendation

That Cabinet agrees to:

Increase payments on a monthly basis for the following service areas from 1<sup>st</sup> April 2020:

- standard residential and nursing care home fees by 10%
- specialist care fees by a value equivalent to the standard nursing or residential fees increase.
- hourly home care and hourly supported living payments by 10%

The Executive Director of Adult Social Care and Health to have delegated powers to make a decision following discussion and agreement with the Director of Finance and ICT and Cabinet Member for Adult Care to extend the additional funding agreement beyond April 2020 on a month by month basis for up to three months in response to ongoing concerns about Covid 19.

**Helen Jones**  
**Executive Director – Adult Social Care and Health**  
**County Hall**  
**Matlock**