

Report to Executive Director Adults and Health

February 2021

Allocation of Workforce Capacity Fund for Adult Social Care

Report by Head of Commissioning, Adults and Health

Electoral division(s): All

Summary

On 16 January 2021, the Government announced a specific support fund of £120m nationally to support workforce pressures within Adult Social Care.

The specified purpose of this funding is to enable local authorities to deliver measures to supplement and strengthen adult social care staff capacity to ensure that safe and continuous care is achieved across the market.

The West Sussex allocation of the Workforce Capacity Fund (WCF) is £1.652m.

The first instalment of the grant, 70% of the total allocation was received on 3rd February 2021. The second instalment will only be made if the authority has written to the Department by 12 February 2021 confirming their plan for spending the grant, including a breakdown of their expected activity and estimated costs. The second instalment is contingent on the Department being satisfied that the first instalment is being used in accordance with the conditions of the grant. The second instalment will be received in March 2021 and must be spent on activity that takes place between 16 January 2021 and 31 March 2021.

As with previous grants for infection control and lateral flow testing the Council is required to comply with a number of conditions set out in the grant circular distributed by the Government through associated guidance.

Recommendation

The Executive Director of Adults and Health is asked to approve that the £1.652m funding be distributed in line with the proposals set out in section 2 of this report and in line with Government guidance, subject to Government grant conditions and the providers' acceptance of the terms and conditions of the Council's grant agreement.

Proposal

1 Background and context

- 1.1 The COVID-19 pandemic has meant that many care providers are facing challenges, however care homes have been particularly susceptible to outbreaks of infection. As a result, the government announced the allocation of an infection control fund of £600m on the 15th May 2020. This fund focused on how to prevent and control the spread of COVID-19 in all registered care homes and help improve infection control measures.
- 1.2 On 17 September 2020, the government announced a further infection control fund of £546m as a continuation of the support to social care providers to prevent, reduce and control Covid-19 infections.
- 1.3 On the 23 December 2020, the government announced a separate fund of £149m nationally, aimed to support the increased Lateral Flow Device (LFD) testing in care settings, with separate conditions to the original Infection Control Fund.
- 1.4 On 16 January 2021, the Government announced a further £120m of funding of which West Sussex will receive £1.652m to help local authorities to boost staffing levels; a direct ask of the sector. This funding will provide additional care staff where shortages arise, support administrative tasks so experienced and skilled staff can focus on providing care, and help existing staff to take on additional hours if they wish with overtime payments or by covering childcare costs. Local authorities are also able to retain part of the funding for activities that it organises, such as local recruitment initiatives and measures that support providers who are not CQC registered. Guidance for this specific funding was published on 29th January 2021.
- 1.5 The grant funding is provided to the Council pursuant to section 31 of the Local Government Act 2003 and as such is subject to specific conditions which are reflected in the grant agreement that will be entered into between the Council and the providers.

2 Proposal details

- 2.1 The West Sussex allocation of the Workforce Capacity Fund (WCF) is £1,651,726 and will be distributed in one instalment because of the tight timescales for spending it, following approval by DHSC of plans submitted on 12th February 2021.

Proposals for the WCF are as follows:

- £1.5m will be passported to approximately 450 CQC registered providers to spend in line with DHSC guidance and conditions. This will include Residential care, CQC registered supported living, Extra Care and Domiciliary Care.
- The methodology for the amount to be received by providers is on the basis of an amount per bed or per customer for community based services. To reflect the feedback that smaller services can have disproportionate impact from staff shortages and/or a higher staffing ratio per bed or customer the allocation to providers will reflect a slightly higher rate for services with a smaller number of beds and customers. The allocation will therefore be calculated at 110% of the per bed/customer rate for services

with 20 or fewer residential beds or customers and 90% of the per bed or customer rate for services with 21 or more residential beds of customers. Exact amounts per bed or customer and per provider are in development and are dependent on the information from providers on numbers of beds and customers in each service as recorded on the NECs tracker. £75,000 will be allocated to support recruitment activity which will provide for an increase in reablement capacity, which is a crucial part of the Intermediate Care pathway in the county.

- £50,000 will be allocated to extend and build on current Proud to Care activity with a targeted mixed media campaign linked to the current National Recruitment Campaign for Short-term and long-term paid work in adult social care.
- £26,726 will be allocated to provide a fund, primarily aimed at non CQC registered providers to fund agency costs incurred between 16th January 2021 and 31st March 2021 related to covering and ensuring sufficient staff due to Covid19.

- 2.3 To receive an allocation from the WCF providers will be required to enter into a grant agreement with the Council. This will ensure compliance with the s.31 grant conditions imposed by the Government.
- 2.4 It is the Government's expectation that the grant will be fully spent on measures to support workforce capacity as identified within the guidance, by the 31 March 2021. If there is any underspend or the Department of Health and Social Care is not satisfied that it has been spent according to the grant conditions it may reduce, suspend or withhold future grant payments or require the repayment of the whole or any part of the grant monies paid. This will be covered off within the grant agreement with providers to mitigate any risk to the County Council.
- 2.5 There is an expectation by the Government that all the WCF money is fully spent on activity between the 16 January and 31 March 2021. Once the Council has submitted and had confirmation of receipt from the DHSC of the 12 February return, setting out intentions for the spend, the Council will then distribute the funding in full.

3 Other options considered (and reasons for not proposing)

- 3.1 Not paying out the grant funding to providers and returning the money to central government: not considered as against Government direction and providers dealing with COVID-19 have been significantly impacted and in many cases are struggling to ensure sufficient volumes of staff and the Council wants to support the market.
- 3.2 Not to put in place grant agreements: this would be contrary to Section 31 grant conditions and put the Council at risk of claw back from central government with no contractual means to recover from providers if there was no grant agreement in place.
- 3.3 Proposals were put forward to allocate a significant proportion of the WCF internally within the Council to cover costs of re-deploying staff during the pandemic. However, it was agreed that the Council should direct as much resource as possible to the ASC market to reflect the pressures and to enable additional staffing to support customers during this time.

4 Consultation, engagement, and advice

- 4.1 The Council has met representatives from West Sussex Partners in Care and discussed potential direction of the fund which has influenced the decisions on the spend.
- 4.2 The defined timescales for the administration and spending of these funds are extremely short so both instalments of the grant will be distributed at the same time.
- 4.2 Internally legal, finance and procurement teams have been consulted and are supporting the process for payment and reporting to central government.

5 Finance

- 5.1 The County Council will administer the funding in line with the conditions that have been set by the Government. These conditions will be included in the Section 31 grant agreement that providers will need to agree prior to receiving any money. This will ensure that the County Council is able to recover any underspend from providers and so be able respond to any requirement to return funding to the Department of Health and Social Care.
- 5.2 The allocation is paid to the Council in two instalments on 3rd February 2021 and in March, after approval of the proposal plan submitted on the 12th February 2021 and must be spent to increase workforce capacity within ASC by the 31st March 2021.

6 Risk implications and mitigations

Risk	Mitigating Action (in place or planned)
Risk to various other service resources of increased resource requirement to administer.	No funding has been provided as part of the allocation for additional administrative costs. Other calls on internal resources will be reprioritised.
Delayed impact if await signed agreements back from providers.	The money will be sent out to providers without waiting for signed agreements to be returned as with previous funds (when all providers except one returned promptly). Outweighs risk of delay in funding.
In paying all funds out in one instalment, the Council is at financial risk if the second instalment is declined by DHSC.	The Council has complied with Government guidance. Any additional requests regarding the proposal return from DHSC will be addressed promptly.
Lack of clarity in the government guidance may lead to different interpretations of demands on providers.	Grant agreement as detailed as possible and additional guidance being sought via LGA/ADASS.

Risk	Mitigating Action (in place or planned)
Risk the Council is required to repay the grant funding if the s.31 grant conditions are not complied with.	Providers will be required to sign a grant agreement with the Council which reflects the s.31 grant conditions. This will include repayment provisions if the provider does not comply with the conditions.

7 Policy alignment and compliance

- 7.1 The Council considers that the COVID-19 infection control measures specified in the s.31 grant are consistent with subsidy control requirements because the measures will help reduce disease incidence and spread and are over and above that which care providers would normally be expected to provide. Further, the measures/services are not being provided by the market at the level or quality required by the market, and thus to secure their provision compensation needs to be provided.
- 7.2 The Government will require the Council to record information on the subsidies. At the present time, the Government (the Department for Business, Innovation & Skills) has not published details and so the Council will ensure that all information on the subsidy is retained.
- 7.3 A grant agreement has been prepared by Legal Services to ensure the Council acts in compliance with the s.31 grant. In the event payment is made before the provider has signed and returned the grant agreement, the provider will be deemed to have accepted all of the grant agreement terms and conditions unless stated otherwise in which case the provider will need to refund the grant funding to the Council.
- 7.4 There will be one grant agreement per legal entity, one grant agreement to cover all care homes of that provider within West Sussex.

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Appendices None

Background papers None