

RECORD OF EXECUTIVE DECISION

Tuesday, 15 September 2020

Decision No: (CAB 20/21 29486)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	Health and Adult Care
SUBJECT:	Support for Care Providers – Extension of financial support to Adult Social Care providers
AUTHOR:	Matthew Waters

THE DECISION

Cabinet agreed the following modified recommendations:

- (i) To agree a budget of £1.9 million for adult social care to manage financial pressures within the care market in the city and to prevent care provider failure between October 2020 and 31st March 2021. This to be provided within the total forecast expenditure for Adult Social Care as a result of the COVID-19 pandemic.
- (ii) To provide delegated authority to the Executive Director Wellbeing (Health & Adults) following consultation with the Cabinet Member for Health and Adults, the Cabinet Member for Finance and Income Generation and the Executive Director for Finance and Commercialisation to agree support to care providers or segments of the market where a need has been identified and evidenced.

REASONS FOR THE DECISION

1. The adult social care provider market has faced and continues to face significant additional cost pressures as a result of the COVID-19 pandemic. In addition, income streams for many have been adversely affected due to the difficulty in filling vacancies with new clients at this time, often due to the requirement to comply with social distancing measures. Both these factors impact on the short-term financial sustainability of the care market. Appendix 1 sets out details of the local market and the additional and on-going pressures being faced.
2. Commissioners will remain focused on ensuring market readiness to respond to the pressures anticipated for the local health and social care system this winter and the risk of a second wave of infections while also preparing for the longer term impacts on the market and the ability of the council to access adequate levels of care to meet the needs of local residents in the City.
3. Use of the budget in a coordinated manner will enable the council to ensure

there remains a diverse, sustainable and high-quality health and social care market within the city for the future, enabling it to meet its statutory duties under the Care Act 2014. It will enable appropriate targeting to provide support where it is needed, and to protect the market while the longer term impacts become clearer, and any potential realignment of the sector can be managed.

DETAILS OF ANY ALTERNATIVE OPTIONS

1. Do nothing:
 - Failing to provide and target resources to meet identified needs risks the viability of providers and would be in contravention of the Care Act 2014 requirements to maintain a sustainable care market.
 - There is a risk that the services could become unsustainable over time, leading to provider failure and significant pressures on adult social care to manage closures and to source new care. This will occur at a time when access to services remains difficult as providers manage infection control measures, vacancies, and recruitment and wellbeing issues in respect to their staff.
 - Most residential care homes in Southampton are small and medium-sized –enterprises. Many of these are particularly vulnerable to unanticipated upwards pressure on operating costs, increases in vacancies and, more recently, changes in infection control measures and expectations. The potential for failures in this sector is high and could occur systemically across care homes with significant numbers of Council-funded clients. The potential impact on the Council would be a requirement to support individuals to move to a new care home, potentially out of the city, and a likelihood that any new placements would require a premium payment higher than the published rate level.
 - The opportunity to shift the focus of providers to better meet the needs of South
2. Re-instate a standard rate uplift for providers of council-funded care.
 - Whilst this was an effective means of managing the risk of unforeseen failure in the local market at the onset of the COVID-19 emergency period, this is an inefficient way of targeting support in the medium to long term, and would fail to adequately ensure specific risks in the market are clearly identified and managed.
 - The estimated cost of providing an overall uplift is higher, at £2.4 million
 - This option would be unresponsive to changing requirements within the market.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

None

CONFLICTS OF INTEREST

None

CONFIRMED AS A TRUE RECORD

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 15 September 2020

Decision Maker:
The Cabinet

Proper Officer: Judy Cordell

SCRUTINY

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on

Date of Call-in *(if applicable) (this suspends implementation)*

Call-in Procedure completed *(if applicable)*

Call-in heard by *(if applicable)*

Results of Call-in *(if applicable)*