

APPENDIX 3 - SUPPORT TO CARE HOME PROVIDERS

BACKGROUND

1. Cardiff Council has a statutory responsibility for improving the wellbeing and outcomes for adults who need care and support. This includes the provision of care home packages for those with assessed need.
2. Cardiff Care Homes supports older adults (aged 55 years and above) who require residential support for their physical and mental wellbeing. This can include nursing residential care, and specialist homes that support local people with dementia and other needs. These services are currently commissioned by the Council to approved external providers to meet assessed needs of our local residents.
3. The Covid-19 pandemic has created additional financial pressures for our adult social care providers. These include additional staffing costs associated with sickness, agency cover and overtime as well as the implementation of enhanced cleaning regimes. In addition, we have received evidence (via the collection of daily data) that vacancy levels in local Care Homes are increasing. It is hypothesised that this reduction in activity is linked to a reduction in overall referrals due to the following factors:
 - Care homes have been identified throughout the pandemic as a high-risk environment for Covid-19 infections. Whilst Cardiff Council have worked hard to mitigate risks in local care homes as much as possible (through the provision of PPE, guidance and support), fear and anxiety of the Care Home environment may impact families' decisions to place a loved one in a Care Home during this time.
 - Care Homes are unable to accept new referrals / admissions to their home because they have had a Covid-19 related incident
 - Residents are passing away due to Covid-19, related conditions (such as failure to thrive by not seeing their loved ones), and non-Covid 19 related conditions (e.g. end of life care was planned) and the Care Home is unable to replace these beds with new admissions.

ISSUES

4. As a result of the above points and the impact of Covid 19, the Social Services Directorate had significant concerns about the financial sustainability of local care homes. The Council wished to act as efficiently as possible to support providers through the unprecedented circumstances brought about by the pandemic. The Director of Social Services, the Social Services commissioning team and the Finance team worked closely with the care sector to develop an appropriate package of support. The support was finalised in the expectation that additional costs would be reimbursed from Welsh Government's Covid-19 Hardship Fund. This includes a sum of £40 million to support adult social care services, announced by the Minister of Health and Social Services, Vaughan Gething of the Welsh Government on 14 April 2020. The funding is confirmed up until the end of May 2020.

Support to Providers

5. Support arrangements for Providers were developed with regard to Government guidelines issued in Procurement Policy Note (PPN) 02/20. This PPN provided guidance for public bodies on paying suppliers during the Covid-19 outbreak in order to ensure service continuity. In line with this guidance, the Council worked closely with the provider association Cardiff Nursing and Residential Home Association (CNARHA) to ascertain the additional costs and pressures that the sector is experiencing due to the pandemic. CNARHA surveyed its members and provided the Council with a collective response that evidenced additional costs at this time. The additional costs provided by the sector were reviewed and compared with usual costs inherent in the standard cost of care.
6. This work resulted in the following package of support, both aspects of which were backdated to weekending 22nd March 2020.

a. **Set uplift on weekly charge**

Based on a review of their costs, the Council proposed to pay Providers an additional £80 per week on each Council commissioned package of care. The aim of this is to assist providers in covering the additional costs associated with Covid-19 listed in paragraph 2. It is estimated that this will cost approximately £85,000 per week across all Council commissioned residential and nursing beds, including older people, mental health, learning disabilities and physical disabilities (both in and out of County.)

- b. **Payment for voids/vacancies in Care Homes to an occupancy level observed before the Covid-19 crisis began.** The Council has proposed to support provider and market sustainability by ensuring that providers will continue to be paid for the care they would usually deliver prior to the Covid-19 crisis. Therefore, if providers observe an increase in vacancies within their care home relating to Covid-19, the Council will support provider sustainability by paying for these voids, up to their usual vacancy level. Costs in respect of this arrangement are still being quantified, pending evidence of vacancy levels from suppliers. Further information on the principles around this arrangements are set out in the table below:

Scenarios	Payment
New Admission from Hospital An individual is in hospital and tested negative for Covid-19 so has to go into 14 days quarantine before they can be stepped down to the care home.	Agree to pay 100% of the standard cost of care rate for the 14 day quarantine period prior to the individual moving into the care home, irrespective of overall occupancy level in the home.
Care Home Unable to Take New Admissions Due to an Outbreak A care home is unable to take any new admissions due to a Covid-19 outbreak. The home has available beds that cannot be filled.	Establish usual occupancy level during this time period in the previous financial year. This will be established by asking providers to submit certified information from their financial records.

Scenarios	Payment
(tested as positive or not tested by the time a customer passes away) has to be treated in calculating number of vacant beds	Agree to 100% of the standard cost of care in line with 'usual' occupancy level for previous period.
<p>Resident's Needs Deteriorate and Require Move to Another Care Home</p> <p>Where the needs of an individual with Covid-19 confirmed or determined as symptomatic requiring move on to another care home providing a higher level of care (e.g. from res to nursing etc.)</p> <p>Definitions</p> <ul style="list-style-type: none"> • Covid-19 Confirmation by test carried out by LHB or PHW • Covid-19 Symptomatic as determined by the home manager based on definition and guidelines issued by PHW 	Agree to pay 100% of standard cost of care until the vacancy is filled or 31 May 2020

Outcome

7. The proposed £80 uplift to care packages was accepted by CNARHA committee members although feedback from a survey it conducted indicated that the majority of respondents felt the proposed uplift was inadequate. The proposal to manage voids as detailed above was jointly developed by CNARHA committee members and officers. The Association have thanked Cardiff Council for working in partnership with them to agree this approach.

RESOURCE REQUIREMENTS

8. Whilst the support outlined in this appendix exceeds existing budgetary provision for 2020/21, the arrangements are considered to be within the budgetary framework on the basis that additional expenditure is directly attributable to the Covid-19 crisis. As such, there is an expectation that costs will be reimbursed from the Welsh Government's Covid-19 Local Authority Hardship Fund, which includes a sum of £40 million in support of Adult Social Care across Wales. The funding is confirmed up until the end of May 2020, although indications are that this will be extended, and as such, these arrangements will need to be kept under review.