

OFFICER DECISION RECORD 1 FORM

This form should be used to record Officer Decisions in Excess of £100k (but below the key decision threshold), or where required by Financial, Contract or other Procedure Rules or following formal delegation from Cabinet or a Cabinet Member or a Council Committee.

Decision Reference No: CR/402/08/20

BOX 1

DIRECTORATE: Corporate Resources **DATE:** 28th July 2020

Contact Name: Holly Wilson **Tel. No.:**

Subject Matter: Supplier Relief Scheme (SRS) linked to the Procurement Policy Note (PPN) 02 2020 Supplier Relief due to Covid-19, up to the 30th June 2020.

The supplier relief is for the Residential Care Homes, the Home Care, the Extra Care Contract and the Supported Living Contracts related to additional Personal Protective Equipment (PPE) costs.

The supplier relief is for the Residential Care Homes, the Home Care, the Extra Care Contract and the Supported Living Contracts related to additional workforce costs as a result of Covid-19.

BOX 2**DECISION TAKEN**

To grant supplier relief for PPE when applied for under the SRS to Home Care Providers, Home Care and Extra Care Providers and Supported Living Providers up to the 14th May 2020.

To grant supplier relief for staff costs when applied for under the SRS to Residential Care Providers, Home Care and Extra Care Providers and Supported Living Providers up to the 14th May 2020.

BOX 3**REASON FOR THE DECISION**

LaingBuisson were commissioned by local government (LGA and ADASS) and worked with the Care Provider Alliance (CPA), to estimate the additional financial pressures on independent adult social care providers due to COVID-19. The summary findings of the report were released to Local Authorities early June; the additional cost to providers is estimated at £6.6billion, with nearly two thirds of that cost relating to PPE, representing the largest single financial pressure on providers.

The government has advised public bodies via the PPN 02_2020 Supplier Relief due to COVID19, to help ensure supplier sustainability through the COVID19 pandemic. This was further enhanced by the ADASS/LGA note circulated 8th April 2020.

The Director of Adults, Health & Wellbeing DASS wrote to providers 7th May setting out support available through the Supplier Relief Scheme and confirming that PPE costs incurred were within scope for reimbursement.

- The Adult Social Care sector is nationally recognised as a vulnerable market.
- The providers range from those that are locally or regionally based to multi-nationals but all providers applying through the scheme operate locally and have a high percentage of staff employed from within the borough.
- Care Homes are at the forefront of the epidemic and are facing increased costs related to infection control, including the extraordinary costs of PPE supplies.
- Most providers are heavily reliant on the Council for income.
- Essential requirement to sustain providers to ensure care needs of residents can be met once COVID19 is over.

Residential Care Provider	Group	PPE claim	Staff Claim	TOTAL
Leong ENT	Leong ENT Ltd	██████████	██████████	██████████
Laso Healthcare	Laso Healthcare Ltd	██████████	██████████	██████████
Old Rectory	Old Rectory Nursing	██████████	██	██████████
Northfield Care Centre	Northfield Care Centre	██████████	██████████	██████████
The Beaches	HC-One	██████████	██████████	██████████
Headingly Park	Countrywide Health Care	██████████	██	██████████
Swallow Wood	MHA	██████████	██████████	██████████
Headingly Court	Countrywide Health Care	██████████	██	██████████
The Elm	HF Trust	██████████	██████████	██████████
Wynthorpe	Parklands Care Services	██████████	██████████	██████████
Bennfield House	Bennfield House	██	██████████	██████████
Hesley Group	Hesley Group	██████████	██████████	██████████
TOTAL		██████████	██████████	£123,597.70

The above providers have applied to the council for **additional costs** they have incurred as a result of COVID19. In calculating the level of relief in relation to the additional costs, the following principles have been established:

- Available to all CQC registered Care Homes in Doncaster and Council commissioned Domiciliary Care providers, including Supported Living and Extra Care
- Support relates to actual expenditure incurred (evidenced by invoices/receipts) and therefore provides no basis for an ongoing fee increase

- PPE costs are outside the scope of costs which providers would be expected to incur as part of their normal business continuity plans and will not provide an ongoing business benefit beyond COVID
- The extent of additional workforce costs is beyond that which a provider would be expected to incur as part of their normal business continuity plans
- Agency costs for COVID related sick (ensuring that these costs are net of any salary cost savings e.g. if absent staff have not been paid in full, the full cost of agency should not be claimable)
- SSP costs (where they cannot be recovered from Government and where the absence was covered by additional hours/agency)
- The relief must be proportionate and sense checked – i.e. the usage reflects the operational requirements of the provider
- The relief relates to additional costs incurred and does not equate to compensation for lost profit (in line with PPN02_2020)

Relief covers the period **March – 14th May 2020** for domiciliary care, supported living and extra care housing providers on the basis that the discretionary element of the Infection Control Fund PC funding can cover PPE costs in June.

BOX 4

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

1. **Not grant the supplier relief under SRS** – the additional cost burden of infection control may put some providers at risk financially and compromise their infection control measures leading to reduced quality of care and ongoing sustainability issues.
2. **Grant relief in proportion to the amount of business contracted with the Council** – The cost of infection control measures in a home has no direct relationship to the number of clients the Council commissions within the home. Infection control measures will differ depending on a number of factors such as the nature of provision and capacity to control infection, including the design of the building and ability to segregate staff and clients.
3. **Grant a fixed sum per bed / visit / client** – this is an approach that was considered and discounted as the council could not be assured that providers would not benefit inadvertently as described above, infection control measures are not determined purely by the number of clients. Some LAs have provided 10% fee increases as an immediate response but this could create an issue in terms of the cost of care and ongoing debates about fees.
4. **Cap the relief at a fixed sum per bed / visit /client** - this approach would limit the Councils total exposure but is not a measure required at the outset (this may be reviewed depending on level of future claims received).

BOX 5

LEGAL IMPLICATIONS

1. Section 1 of the Localism Act 2011 provides the Council with a general power of competence, allowing the Council to do anything that individuals generally may do.
2. The Council has a duty to cooperate with Government measures to ensure that the spread of Covid-19 is controlled as far as possible
3. In March 2020 Councils were asked by the Government to help suppliers at risk during Covid-19 by launching a Supplier Relief Scheme. The Suppliers Relief Scheme makes

provisions for Council's to give help to organisations which includes paying additional costs for Covid-19 related expenditure such as PPE and additional work force costs.

4. Legal should be consulted to prepare the legal documentation in relation to the provision of funding for the purchase by the provider of PPE and payment towards additional work force costs.
5. Moving forward, pursuant to PPN 04/20 (effective from 1st July to 31st October) whilst granting continued relief may still be appropriate to maintain service continuity, it will be important for the Council to plan with suppliers how to exit contractual relief and transition into new sustainable operating models taking into account strategic and reprioritisation needs.

Name: Paula Coleman

Signature: [REDACTED]

Date: 30th July 2020

Signature of Assistant Director of Legal and Democratic Services (or representative)

BOX 6

FINANCIAL IMPLICATIONS:

It is difficult to assess the level of potential provider claims through the Supplier Relief Scheme based on the small sample that have applied to date and the amount of emergency supplies issued.

So far, including this ODR, 31 providers (8 home care, 21 residential covering 35 care homes, 1 Supporting People and 1 Supported Living provider) have submitted a claim for different periods to date for a total of £462,505.08. This includes £ [REDACTED]. It is not possible to ascertain the average cost for either of these elements as we have no visibility about the costs incurred to date by providers and we know that prices fluctuated dramatically during the first few weeks of the pandemic. Based on the providers identified as part of the Infection Control Fund allocations there are potentially 103 providers or homes within Doncaster that could submit claims (5 Supported Living, 23 Homecare, 75 Care Homes).

The claims set out in this ODR will cost £123,597.70 (£ [REDACTED]) and is the fifth in relation to home care provision. It is very likely that more providers will submit a claim and existing providers will submit further claims whilst the Supplier Relief Scheme is in operation.

The costs are additional and cannot be covered by existing budget and therefore will need to be met from COVID-19 funds from Government or Council contingency to the extent COVID-19 funds are insufficient to cover the total costs.

Name: Paul Williams

Signature: [REDACTED]

Date: 31/07/20

Signature of Chief Financial Officer and Assistant Director of Finance (or representative)

BOX 7

OTHER RELEVANT IMPLICATIONS

Name: _____ Signature: _____ Date: _____

Signature of Assistant Director (or representative)

ANY IMPLICATIONS SENT TO DEPARTMENTS SHOULD GENERALLY BE SUBMITTED AT LEAST 5 WORKING DAYS IN ADVANCE TO ENSURE THESE CAN BE GIVEN THE RELEVANT CONSIDERATION.

BOX 8

EQUALITY IMPLICATIONS: (To be completed by the author).

There are no equality issues associated with this report, all providers are being treated equitably.

BOX 9

RISK IMPLICATIONS: (To be completed by the author)

- Market sustainability is a key risk, the approach the council have taken is based on the PPN 02_2020 Supplier Relief due to COVID19 which is not prescribed but advisory so there is uncertainty if this approach will sustain the market.
- Long-term increased costs if suppliers fail and the market is limited with providers
- Reputational risk to the council if the sector is not sustained

BOX 10

CONSULTATION

Adults Commissioning

Finance

Legal

BOX 11

INFORMATION NOT FOR PUBLICATION

Commercial information related to each provider and signatures.

Name: G Sparrow Signature [REDACTED] Date: 31/07/20

Signature of FOI Lead Officer for service area where ODR originates

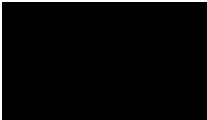
BOX 12

BACKGROUND PAPERS

Please confirm if any Background Papers are included with this ODR **YES/NO**

(If YES please list and submit these with this form)

**BOX 13
AUTHORISATION**

Name: Phil Holmes Signature: 

Date: 13.08.2020

Director of Adults, Health and Wellbeing

Does this decision require authorisation by the Chief Financial Officer or other Officer

YES

If yes please authorise below:

Name: Debbie Hogg Signature: 

Date: 13th August 2020

Director of Corporate Resources

Consultation with Relevant Member(s)

Name: _____ Signature: _____ Date: _____

Designation _____

(e.g. Mayor, Cabinet Member or Committee Chair/Vice-Chair)

Declaration of Interest **YES/NO**

If YES please give details below:

PLEASE NOTE THIS FORM WILL BE PUBLISHED ON THE COUNCIL'S WEBSITE IN FULL UNLESS IT CONTAINS EXEMPT OR CONFIDENTIAL INFORMATION.

Once completed a PDF copy of this form and any relevant background papers should be forwarded to Governance Services at Democratic.Services@doncaster.gov.uk who will arrange publication.

It is the responsibility of the decision taker to clearly identify any information that is confidential or exempt and should be redacted before publication.