

WARRINGTON BOROUGH COUNCIL
RECORD OF DECISION TAKEN BY AN OFFICER

DECISION TITLE:	Care Homes (Residential and Nursing) Covid-19 Contingency Payments
Cabinet Decision No and/or Forward Plan No (Cabinet decisions only)	Key Decision No. 069/19 – 6 April 2020 (CAB 174)
Directorate Ref No (Non Cabinet decisions only) If applicable	n/a
Decision detail	<p>The purpose of the key decision was to seek delegated authority to officers to modify and award contracts as necessary to ensure the operation of council services by way of authorising officers to:</p> <ul style="list-style-type: none"> - Direct award or modify contracts pursuant Reg. 32 and Reg. 72 of the Public Contract Regulations 2015; and/or - Ensure service continuity pursuant Cabinet Office Policy Procurement Notes 02/20; and/or - Implement aid measures pursuant to existing State aid measures or the Temporary Framework to support the economy in the context of the COVID-19 outbreak. <p>Delegated approval was given and no call in was made in respect of the decision.</p> <p>Subject to the delegations, Phase 1 payments were made to providers under existing State aid measures as De Minimis aid under EC Regulation 1407/2013 as published in the Official Journal of the European Union on 24 December 2013 (“De Minimis Regulation”). This provides that aid can be granted to an economic operator as long as aid that they receive does not exceed €200k over a rolling three year period.</p> <p>Given the need to make the grants quickly, the Council did not, and will not, carry out an individual assessment as to whether each organisation is eligible for aid under the De Minimis Regulation. Each provider was advised of the background to the De Minimis Regulation, with each self-certifying that they have not received aid over the prescribed limit for the past three year period.</p> <p>The Phase 1 payments to Care Home Providers were made in early April and were based on a % of the monthly payment to them. These were rounded up to the nearest multiple of £2,500 and ranged from payments between £2,500 and £20,000. The total of these Phase 1 payments was £236,000. On review and following feedback, there were a number of smaller providers and also those that we do not</p>

	<p>commission significantly volumes of care with who were excluded by this methodology or received a substantially lower sum due to the number of self-funders, and a further £72,300 was distributed (Phase 1a) based on a payment of circa £150 per bed. The combined total of payments made for Phase 1 and 1a is £308,300.</p> <p>Indications are that the initial payments were sufficient to cover an estimated 4 weeks of additional costs. Many providers nationally are reporting an estimated 20% increase in costs albeit this includes for some lost income due to a fall in placements or sadly following deaths in their setting for example to date (21 April) there have been 59 confirmed deaths in local care homes.</p> <p>It is now intended to make Phase 2 and Phase 3 payments to providers to reflect the mixed economy of funding within the care sector. It is proposed to distribute a similar value to Phase 1, but to allocate on the basis of a £250 rate per registered bed. This approach will also to accommodate those providers who receive income from self-funders or other local areas. Based on 1769 registered beds in care homes, this will be an allocation of £441,250 for Phase Two and the same for Phase 3 and therefore totalling £882,500.</p> <p>It is also proposed that a joint approach is taken with the CCG, to contribute a further 10% - £25 per bed for nursing homes to reflect the additional nursing costs for these homes, and that the CCG cover the contingency costs for individuals in fully health funded beds (those with Continuing Health Care). This CCG contribution would we anticipate be met from the locally allocated NHS Covid-19 Funding. The total funding allocation of £882,500 will be adjusted down to reflect the CHC funded beds (data not currently available, but estimated circa 10%).</p> <p>Further detail can be found in Appendix 1 – Background Paper which is exempt by virtue of categories 3 and 5, Local Government Act 1972, schedule 12A.</p> <p><i>It should be noted here that the monetary amounts quoted here represent the maximum amount currently proposed to be made available to providers and that all awards made to providers are subject to a validation process via provider returns. These returns will also be subject to audit.</i></p>
Reason for Decision	To ensure social care providers can continue to deliver the required care in the light of increased costs incurred directly as a result of Covid 19.
Decision Maker/Responsible Officer	Lynton Green, Director of Corporate Services.

Directorate	Corporate Services
Lead Cabinet Member consulted (if applicable)	CLr Cathy Mitchell – Deputy Leader and Cabinet Member, Corporate Resources
Decision Date	23 April 2020
Date Decision was published / notified (normally within 2 clear working days of decision being made)	11 September 2020
Summary of options considered	For details of full summary of options please contact Rick Howell (rhowell@warrington.gov.uk)
Interests declared	None
Background Papers (if applicable) <i>(period expires after 4 years from date of decision)</i>	<ul style="list-style-type: none"> - Appendix 1 – Background Paper - Previous grant award and letter.
Confidential / exempt information	Both Appendix 1 and the previous grant award and letter are exempt by virtue of categories 3 and 5, Local Government Act 1972, schedule 12A.
Category (if applicable)	Categories 3 and 5

NB. This form expires after 6 years.