

Local Members Interest
N/A

Health and Care Overview and Scrutiny Committee - Monday 11 April 2022

Care Home Update

Recommendations

I recommend that the Committee consider the ongoing challenges and support to care homes, and longer-term commissioning initiatives.

Report of Cllr Julia Jessel, Cabinet Member for Health and Care

Summary

1. Care homes have faced a number of challenges during the Covid pandemic, and the Council has provided a range of support. Longer term the Council has a range of commissioning initiatives underway in order to achieve our strategic objectives. This report provides Overview and Scrutiny with a further update on the care home sector following the last update in January 2021.

Overview

2. There are 249 care homes registered with the Care Quality Commission (CQC) with 7882 beds in Staffordshire. The Council funds just under 3,000 care home placements, just over 1,700 in residential homes and under 1,100 in nursing homes, and around 80% of these are within Staffordshire. The remaining beds in county are commissioned by the NHS, other local authorities, or occupied by self-funders. A breakdown of Council funded placements by client group and location is shown in Table 1.

Table 1: Council funded care home placements

Location	In county	Out of county	Total
Older people	1,855	360	2,215
Physical disability	69	37	106
Learning disability	235	159	4394
Mental health	59	30	89
Total	2218	586	2,804

Challenges of Covid

3. Care homes have faced a range of challenges to maintaining care and financial sustainability during the pandemic:

a. **Management of Covid outbreaks.** Government guidance for management of outbreaks has been updated. As part of the Living with Covid announcements, the government confirmed there will continue to be precautions for both staff and visitors to adult social care settings, with new infection prevention control guidance to be published by 1 April 2022. There are 33 care homes in Staffordshire who were subject to COVID stoppages on 30 March 2022. At present, care homes continue to adhere to guidance specifically in respect of:

- i. Management of exposed staff and residents – including persons who are identified as contacts of Covid 19 cases and those who test positive for Covid 19
- ii. Personal Protective Equipment requirements (determined by task)
- iii. Regular asymptomatic Covid 19 testing regimes for both staff and residents
- iv. Care home visiting guidance
- v. General infection prevention control measures including hand hygiene, enhanced cleaning, ventilation, cohorting of staff (and limiting movement) and social distancing
- vi. The use of designated settings if Covid 19 is acquired in a clinical setting

b. **Recruitment and retention of staff.** This was a challenge prior to Covid and has been exacerbated by the pandemic, as well as by national workforce shortages. The requirement for vaccination as a condition of deployment was rescinded on 15 March. 98.8% of care home staff have had two doses of vaccination and 55.1%% have had a booster dose. Recruitment and retention remain challenging, with care homes reporting few applicants for posts.

c. **Reduction in staffing levels** due to the requirement to isolate. Government guidance for isolation of staff has been updated. The legal duty to self-isolate has been removed, however adult social care staff are required to remain away from the setting in the following circumstances:

- i. Being identified as a contact of a Covid 19 case – fully vaccinated staff members are required to receive a negative PCR test result before returning to work, meaning their absence could be 24-72 hours in duration. Those who have tested positive for Covid 19 in the last 90 days are not required to receive a negative PCR test. In both circumstances, the setting must complete a risk assessment (and give consideration to redeployment as appropriate) and the

staff member must LFD test daily. If a staff member is not fully vaccinated, the DHSC recommends they do not return to the setting for 10 days.

- ii. Testing positive for Covid 19 – staff members can commence LFD testing on day 5 (noting the day of test is referred to as day 0); if they receive 2 negative LFD tests taken 24 hours apart, they can return to the workplace. If a staff member does not receive a negative test result in the initial 10 day, they could be absent for a maximum of 14 days, subject to the risk assessment of the setting. In addition, the setting is required to complete a risk assessment (and give consideration to redeployment as appropriate) and the staff member needs to meet the improvement criteria and continue to LFD test daily.

- d. **Reduced occupancy.** Care Homes are reporting occupancy levels of 80.2% as at March 2022.

- e. **Increased operating costs.** Care homes face increased operating costs due to inflation, the need to pay competitive wages in the context of recruitment and retention challenges, and enhanced infection prevention and control standards. During the pandemic these have been met by a series of non-recurrent grants from Government, as set out in Table 2.

Table 2: non-recurrent funding from Government grants

Grant	Amount (£m)
Emergency funding	7.276
Infection Control Fund 1,2,3 & 4	14.811
Community Testing Fund	0.001
Rapid Testing Fund 1,2,3	4.573
Workforce Capacity Grant Mar 21	0.772
Infection Control Fund 5	1.69
Rapid Testing Fund 4	1.5
Vaccination Grant	0.144
Recruitment and Retention Fund	1.83
Omicron Grant	0.5
Total	32.647

- 4. The Council has supported care homes throughout the pandemic with:
 - a. Advice and guidance, including to support management of outbreaks.
 - b. Supplies of personal protective equipment.

- c. Infection control expertise and training.
- d. Recruitment resources.
- e. Emergency staffing.
- f. Support to improve quality from our Quality Assurance and Provider Improvement and Response Teams.
- g. Access to mental well-being support; and
- h. Distribution of Government grants.

Discretionary fee review 2022/23

5. The Council is not obliged in contracts to offer fee uplifts to care homes but does have the option for discretionary fee reviews to take into account increases in costs. The Council consults with care homes annually on an appropriate fee uplift for the following year. Consideration of fee uplifts needs to balance the Council's duty under the Care Act 2014 to promote the efficient and effective operation of a market of services to meet care and support needs against the legal requirement to set a balanced budget.

6. The Council has calculated that the actual increase in the costs for residential and nursing Care in 2022/23 is 6.24% and this has been offered to providers with the application of a 3% quality premium for some placements and a 3% productivity saving for others as below. This will reduce the variation in care home fees, which is currently wide, and is therefore consistent with Government's adult social care reforms as set out in "Market Sustainability and Fair cost of Care Fund: purpose and conditions 2022 to 2023" with the requirement to determine and move towards a Fair Cost of Care for each local authority area.

7. Staffordshire has a lower than national average proportion of care homes rated 'outstanding' or 'good' by the Care Quality Commission. There is some association between the price of care and the quality of care, and the fee uplift for 2022/23 includes a quality premium of 3% to be applied to those placements that are lower paid. This comes with an expectation that it would facilitate improvements in the quality of care where necessary.

8. Some placements are already comparatively well remunerated, and the fee uplift for 2022/23 also includes a productivity saving of 3% to be applied to those placements that are higher paid in order to ensure value for money for taxpayers.

9. The County Council Network has published its report conducted with health care market specialists, LaingBuisson, which analyses two key aspects of the government's adult social care reforms: proposals to allow private payers to ask councils to arrange care on their behalf at lower local authority rates and the intention to introduce a new "Fair Cost of Care",

which aims to increase care fees paid by councils to make the care market more sustainable. The report concludes that an extra £854m a year is needed to make the proposals workable and to ensure ongoing investment into the social care sector.

Longer term commissioning initiatives

10. The Council's overall strategic objectives from commissioning care homes are:

- a. **Improving the quality-of-care homes in Staffordshire.** This is primarily measured by the proportion of care homes rated by the Care Quality Commission (CQC) as 'outstanding' or 'good' with a target to reach the England average within the next 3-5 years. Currently 64% for nursing homes and 82% for residential care homes. Compared to the England average of 77% for nursing homes and 83% residential
- b. **Ensuring timely access to care home placements when required.** This is measured by the proportion of placements sourced to timescale with a target of 85% overall. Currently the council is achieving 72% of placements sourced in timescale.
- c. **Ensuring affordability of care home placements,** such that Council is paying a fair price, achieving value for money, and that overall expenditure does not exceed the budget. This is measured by the average price of placements with a target that this increases only by the cost of inflation and that variation in price is reduced. The current average cost for older people placements is £650, for individuals with a learning disability it is £1530 and Mental Health placements average is £1061.

11. A range of commissioning initiatives are underway in order to achieve these:

- a. **Development of additional Council owned nursing home capacity.** The Council will be reviewing the business case for two additional nursing homes, taking into account demand, quality and sustainability of the market in the wake of the Covid pandemic, and as set out in the Cabinet report of February 2022.
- b. **Quality improvement.** The Council is continuing and strengthening quality improvement work, including support for recruitment and retention, working closely with the NHS. Where care homes are repeatedly identified by CQC as below regulatory standards and unable to demonstrate a capacity for sustained improvement despite support, the Council will consider whether it can continue to make

new placements as well as moving residents where this is in their interests on a balance of risks.

- c. **Guide prices.** The Council will develop guide prices to give a clear indication of the price it is prepared to pay for care home placements. These will assist implementation of the Fair Cost of Care required by *People at the Heart of Care: adult social care reform white paper*. The expectation is that these will reduce variance in care home prices.
- d. **Procurement and contracting.** The Council will continue with a dynamic purchasing system (DPS) to make individual placements. However, the expectation is for a phased increase in the number of block booked beds and for the volume of placements made by DPS to decrease. Options for procurement and contracting of complex residential and nursing home placements will be considered.
- e. **Use of technology.** The Council continues to promote innovation including:
 - **Reminiscence Interactive Therapy Activities** which improve the experience of people with dementia and frees-up staff time.
 - **Oxevision** which allows monitoring of multiple rooms at one time, reducing infection risk and freeing-up staff time.
 - **Others** such as pressure and falls mats, iPads, video-calling platforms, electronic care records and electronic assessments.

Link to Strategic Plan

Be healthier and independent for longer.

Link to Other Overview and Scrutiny Activity

Considerations of demand pressures on the NHS.

List of Background Documents/Appendices:

N/A

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