

Birmingham City Council

Report to Chief Executive

6 December 2021



Subject: WORKFORCE RECRUITMENT AND RETENTION FUND
(21 OCT 2021 – 31 MARCH 2022)

Report of: Graeme Betts, Director for Adult Social Care

Relevant Cabinet Member: Cllr. Paulette Hamilton

Relevant O &S Chair(s): Cllr Mick Brown

Report author: Alison Malik, Head of Commissioning

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential : Not applicable.		

1 Executive Summary

- 1.1 To confirm the allocations of the Workforce Recruitment and Retention Fund (21 October 21 – 31 March 22) in accordance with the Grant Circular dated 29 November 2021.

2 Recommendations

That the Chief Executive makes the urgent decision to;

- 2.1 Approves the allocation of £1,396,746.80 of Workforce Recruitment and Retention Funds to CQC registered care homes in Birmingham.

- 2.2 Approves the allocation of £2,095,120.20 of Workforce Recruitment and Retention Funds to CQC registered community care providers in Birmingham.
- 2.3 Approves the allocation of £300,000 of Workforce Recruitment and Retention Funds to support other measures the Council may take to support the personal assistant and unregulated workforce.
- 2.4 The details of these allocations are in accordance with the Grant Determination Notice and are set out in Appendix 1.

3 Background

- 3.1 The Workforce Recruitment and Retention Fund is a new Section 31 ring-fenced grant designed to support adult social care providers with recruitment and retention of their workforce over the winter period.
- 3.2 Although new, the grant conditions are similar to the Workforce Capacity Fund which ran from January 2021 – March 2021.
- 3.3 The purpose of the fund is to; support providers to maintain safe care; increase staff capacity across the adult social care sector; support timely and safe hospital discharge and reduce hospital admissions; enable timely new care in the community; and support and boost retention of staff within social care.
- 3.4 The Grant will be paid in two instalments and totals £3,791,867 for Birmingham.
- 3.5 The Grant runs from 21 October 2021 to 31 March 2022 and will be paid in two sums (60% in November 2021 and 40% in January 2022). The second instalment is conditional on the Council making a return to the Department for Health and Social Care by 14 January 2022.

4 Options considered and Recommended Proposal

- 4.1 There are limited alternative options due to the Grant Conditions specified.
- 4.2 For the discretionary elements of each funding allocation, the rationale is contained in 7.9 below. These clearly demonstrate the funding split is based on evidence of the impact of the pandemic on the care market.

5 Consultation

- 5.1 The Cabinet Member for Health and Social Care has been consulted on this and is in agreement with the proposed recommendations. The Cabinet Member is the chair of the Health and Well-being Board.
- 5.2 The Leaders of the key Political Parties have been consulted on this decision and no objections have been received.
- 5.3 The Workforce Recruitment and Retention Fund will support the national COVID-19 Response: Autumn and Winter Plan 2021 and local health and social care system-wide winter plans.

6 Risk Management

6.1 The following risks have been identified in relation to this decision and have been mitigated as follows:

6.1.1 Financial risks – the Council is required by Government to operate this Grant in accordance with the Grant Conditions. The risks of administration, debt recovery and potential fraud sit with the Council. These risks are being mitigated through regular reporting from care providers, issuing of Grant Conditions to care providers, regular communication and reminders to care providers and proactive dialogue prior to encourage compliance before debt recovery commences.

6.1.2 Reputational risks – as set out in 7.2 the Council is making this decision as the earliest opportunity to ensure essential funds can reach the sector in a timely and effective manner.

6.1.3 Legal risks –there may be legal risks associated with taking this Emergency Decision, however the reasons for this are set out in 7.2 below. Furthermore, this approach has been agreed by the Corporate Director Adult Social Care, the Cabinet Member for Health and Social Care and the leaders of the key Political Parties have also been consulted.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

7.1.1 The Workforce Recruitment and Retention Fund will support the national COVID-19 Response: Autumn and Winter Plan 2021 and local health and social care system-wide winter plans.

7.2 Legal Implications

7.2.1 The Workforce Recruitment and Retention Fund is a Section 31 Grant that is ring-fenced exclusively for actions which support care providers to increase their workforce capacity.

7.2.2 The Department for Health and Social Care considers this grant, and the measures it is intended to support, are consistent with the UK's international obligations on subsidy control.

7.2.3 This decision is being taken pursuant to Part B, B6, 6.6 and Part E4 of the Council's Constitution 4.2 Emergency Reports which confirms that in an urgent situation, an executive decision may be agreed by the Chief Executive following consultation with the Leaders of the Political Groups. An urgent decision being defined as one which could not reasonably have been foreseen or anticipated prior to the most recent Cabinet or Committee meeting, and which needs to be considered before the next meeting of the Cabinet/Committee. This decision is considered an urgent situation for the following reasons:

- 7.2.3.1. The conditions of the grant expect local authorities to transfer payments to providers within twenty working days or as quickly as possible, there is therefore not time to wait for the next Cabinet meeting.
- 7.2.3.2. The Council received the funds on 25th November 2021. Therefore this decision is being made at the earliest opportunity to ensure funds reach care providers in line with the Grant Conditions and expectations of Government and the provider market.
- 7.2.3.3. The Council is largely passporting the funds to care providers on behalf of Government.
- 7.2.3.4. Where there are discretionary elements of the fund, these are also restricted to the purpose set out in the Grant Conditions.
- 7.2.3.5. As the ongoing impact of the pandemic and winter pressures for care providers and their staff continues, these funds will provide essential financial support to care providers in recruiting and retaining staff – an essential part of managing our winter response.
- 7.2.3.6. Providers have been made aware by Government of the funding and many will have already incurred expenditure from early October when guidance was published. Any delays in distribution will impact on the cashflow of these already challenged providers and may also impact on their ability to put in place appropriate infection control measures.

7.3 Financial Implications

- 7.4 The Council must report spend to the Department of Health and Social Care at regular intervals and the following timetable has been set:

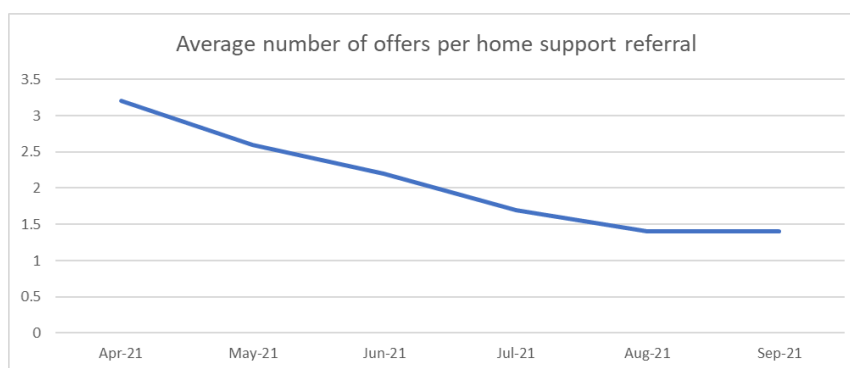
Table 1 – DHSC, Council and care provider reporting timetable

Reporting Point	DHSC Deadline	Reporting period	Deadline for care providers
Point 1	14 Jan 2022	Spending from 21 Oct 21 to 30 Nov 21	BCC to file return based on allocations only.
Point 2	29 April 2022	Whole grant period 21 Oct 21 to 31 Mar 22	15 April 2022

- 7.5 Unlike other Grants, the Workforce Recruitment and Retention Fund Grant provides more flexibility, however it must be used for the measures and purpose set out in 3.3 above and for expenditure between 21 October 21 and 31 March 22. However within those parameters it can be used as follows:

- 7.5.1 To support providers of care homes, domiciliary care, non-contracted providers, un-registered providers, day centres, respite provision and personal assistants.
- 7.5.2 By Local Authorities directly to deliver measures that help all providers of adult social care.

- 7.5.3 Local Authorities can choose to passport all or some of the funds directly to care providers however passporting can only take place with CQC registered providers.
- 7.5.4 However funding is distributed, the Local Authority must put in place assurance, risk management and recovery processes for the funding.
- 7.5.5 The funding cannot be used to address general financial pressures that providers might be experiencing.
- 7.6 Commissioners have explored a range of options both with providers and based on current market intelligence and are seeking authority to distribute the funds as follows:
- 7.6.1 £300k to be used by the Council to support the personal assistant and unregulated workforce. Any remaining funds not spent by the time January 2022 payments are made will be passported to regulated social care providers in line with the below 60:40 split.
- 7.6.2 60% of the remainder to be passported to CQC registered community care providers on a per employee basis. The rationale for this being:
- The Council's focus over the last 3 years has been on a 'home first' ethos. This is particularly true of our out of hospital pathways which are now operating at over 80% of citizens going home rather than into a care home. We therefore need to maintain and where possible increase capacity in this area.
 - The Council are currently experiencing delays in identification of providers for home care packages, the number of which has been growing steadily since August 21.
 - Recent mandatory vaccination requirements in care homes has resulted in a significant and successful recruitment campaign with many carer job roles filled by previous home care workers.
 - Working in home care provides slightly different recruitment challenges as home care workers are required to travel extensively and where demand for work can increase/decrease significantly - as demonstrated by over 73% of the independent Birmingham home care workforce being employed on zero hours contracts.
 - The average number of 'offers' on home care packages has been steadily declining and reducing our ability to identify long term care providers for citizens – as shown in the graph below:



7.6.3 The remaining 40% to be passported to CQC registered care homes on a per employee basis. This is to reflect the ongoing pressures in this sector, particularly of nurses and sufficiently skilled and experienced care staff to meet increasing acuity of care needs.

7.7 Due to delays in the Council receiving the funding, the impending holiday period and the fact a return is required to DHSC by 14 Jan 22, the Council will passport the second allocation directly to care providers, along with any remaining of the £300k allocation above. This second allocation will not be conditional on a first spend return, albeit spend returns.

7.8 However in line with Grant conditions, for those providers who do not provide the necessary returns for this Grant by 15 April 2022, a process of recovering the funds will commence in line with the Council's usual income and debt recovery processes.

7.9 To reduce the administrative burden on care providers and the Council, Grant recipients will no longer be required to provide a signed assurance statement to the Council. Instead, the Grant Conditions will be issued to all care providers and published on the Council's provider web pages at www.birmingham.gov.uk/stm. Spending of the funds by any organisation will be deemed acceptance of those conditions. Providers will then be required to provide spend returns in line with the reporting timetable set by the Council to meet DHSC reporting deadline set out in 7.4 above.

7.10 Based on the above approach, the Council will therefore distribute the funds as summarised in Appendix 1.

7.11 The Council has a Covid financial support package in place for the care sector until 31 March 2022, as well as the recently distributed Infection Control and Testing Fund Round 3. Any potential overlaps in funding will be identified through the approval and reporting process, to reduce the opportunity for double funding and to maximise use of the Grant funding.

7.12 Procurement Implications (if required)

7.12.1 There are no direct procurement implications associated with this decision. In relation to the £300k to support the personal assistant market, the precise solutions have not yet been finalised. However once finalised, any procurement decisions will be carefully considered and appropriate advice taken from Corporate Procurement Services.

7.13 Human Resources Implications (if required)

7.13.1 There are no Human Resources implications associated with this decision.

7.14 Public Sector Equality Duty

7.14.1 An Equality Impact Assessment has not been carried out as duties contained in the Equality Act 2010 do not apply to care providers as registered companies. In relation to the £300k to support the personal assistant market, the precise solutions have not yet been finalised. However once finalised, an Equality Impact Assessment will be completed and carefully considered.

8 Appendices

8.1 Appendix 1 – Detailed breakdown of funding allocations and calculations on a per employee basis

9 Background Documents

9.1 The following background documents were used to compile this report:

- Workforce Recruitment and Retention Fund for adult social care guidance
- Grant circular
- Annex A: grant determination letter
- Annex B: grant conditions
- Annex C: grant allocations
- Annex D: reporting point 1 template
- Annex E: statement of assurance template

Appendix 1 - Detailed breakdown of funding allocations and calculations on a per bed/per service user basis

	Total Grant	60% Oct 21	40% Jan 22	Notes
Total WRRF	£3,791,867.00	£2,275,120.20	£1,516,746.80	Day Centres not facing workforce pressure. Allocate £300k to DP/PA's and allocate remaining 40% to care homes and 60% to community care

Allocation #1 (Oct 21)

	Per worker amount	
PA recruitment	N/A	£300k allocation
Care Homes	£82.35	40% of fund
Community Care	£157.38	60 % of fund

Total spend	
PA recruitment	£300,000.00
Per worker amount x total workers - care homes	£790,048.08
Per worker amount x total workers - comm care	£1,185,072.12
	£2,275,120.20

Care home workers	9594
Comm Care workers	7530

Unspent Grant Allocation #1	£tbc	Any sums not paid or spent by Jan 22 will be added and allocated in accordance with 7.6
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Allocation #2 (Jan 22)

	Notional Per worker amount
Care Homes	£63.24
Community Care	£120.86

Notional Total spend	
Per worker amount x total workers	£606,698.72
Per worker amount x total workers	£910,048.08
	£1,516,746.80

Care home workers	9594	40% of fund
Comm Care workers	7530	60 % of fund

