

Older People's Care Homes Low Occupancy Support Scheme

Date: 18th June 2021

Report of: Deputy Director of Integrated Commissioning

Report to: Director of Adults and Health

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- The Council has a duty under the Care Act 2014, to promote the efficient and effective operation of a market in services for meeting care and support needs with a view to ensuring that any person needing services has a variety of providers and a variety of high quality services to choose from.
- The Council is aware, through data gathered from care homes through the national capacity tracker system¹, that some care homes are experiencing significant low levels of occupancy which could affect the stability of the market in the city.
- In order to assist older people's care homes with the significant loss of income through the increase in the number of vacancies during the pandemic and lack of referrals to fill the void beds, Adults and Health are proposing to introduce a Low Occupancy Support Scheme ("the scheme"), which will provide a contribution to the lost income in the home through vacant beds.
- The low occupancy support scheme will contribute to the Council's policies and the Best Council Plan including delivery of the better lives programme by contributing to: people living longer and healthier lives; helping people to live full, active and independent lives; ensuring that people's quality of life is improved by access to quality services; and; helping people to live in healthy and sustainable communities.

Recommendations

The Director of Adults and Health is recommended to:

- a) Approve the funding for the Low Occupancy Support Scheme for a period of three months from April 2021 to June 2021 at a maximum estimated cost of £2.232m.

¹ Capacity Tracker is a data collection tool, used by the government throughout the pandemic, where all care homes are required to update details on areas such as occupancy, Covid-19 infection rates, staff vaccines etc.

b) Note the Head of Commissioning and Head of Finance in Adults and Health process the payments to the older people's care home providers once the decision has been approved and call-in has expired.

Why is the proposal being put forward?

- 1 The Council has a duty under the Care Act 2014, to promote the efficient and effective operation of a market in services for meeting care and support needs with a view to ensuring that any person needing services has a variety of providers and a variety of high quality services to choose from. In meeting this duty, the Council must have regard to the importance of ensuring the sustainability of the market within the city.
- 2 Over the past 14 months, older people's care homes in the city have experienced on-going cost pressures resulting from the pandemic, and in particular the low levels of occupancy that some homes are currently experiencing through increased mortality rates and lower admissions than previously seen. The Council is aware, through data gathered from care homes through the national capacity tracker system, that some care homes are experiencing significant low levels of occupancy which could affect the stability of the market in the city, particularly in the nursing care sector.
- 3 In order to assist older people's care homes with the significant loss of income through increased mortality rates and lack of referrals to fill the void beds, Adults and Health are proposing to introduce a Low Occupancy Support Scheme ("the scheme"), which will provide a contribution to the lost income in the home through vacant beds.

What impact will this proposal have?

Wards Affected:

Have ward members been consulted? Yes No

- 4 The Council has seen through data recorded on the Capacity Tracker that a considerable number of older people's care homes in the city are continuing to experience low levels of occupancy which have resulted through increased mortality rates and lower admissions than seen prior to the pandemic. This has resulted in on-going cost pressures for the care home providers. In order to assist with these ongoing cost pressures, Adults and Health will contribute to the loss of income on void beds in the care home.
- 5 The scheme will make a contribution to the lost income on a per bed basis, calculated on the difference between the % beds currently occupied and the number that would have been occupied up to a maximum of 85% occupancy. Providers will be requested to supply their occupancy rates from 2019, as a benchmark and where this was below 85% occupancy, the scheme will only pay to the maximum at the 2019 occupancy rate, so as not to advantage providers who already had low occupancy prior to the pandemic. Care homes who have current occupancy rates above 85%, will not be entitled to funding under the scheme (full details of how the scheme will work can be found at Appendix 1).
- 6 It is intended to run the scheme for a period of three months from April 2021 to June 2021.
- 7 An Equality and Diversity Impact Assessment Screening Tool has been completed and is included at Appendix 2.

What consultation and engagement has taken place?

- 8 The Executive Member for Health, Wellbeing and Adults has been briefed on this decision.

What are the resource implications?

- 9 The funding for the Low Occupancy Support Scheme is for a period of three months from April 2021 to June 2021. Finance colleagues have been modelling the cost of the scheme to the directorate and have suggested a maximum estimated a cost of £2.232m over the three-month period, however the figure is considered to be less than this when taking into account actual positions submitted by providers.
- 10 The scheme will be funded, in the first instance through the Adults and Health approved budget, any figure above this will be met from directorate reserves.

What are the legal implications?

- 11 The decisions highlighted in this report will be taken by the Director of Adults and Health in line with the officer delegation scheme as detailed in Part 3 of the Council's Constitution.
- 12 This decision is a Key Decision and is therefore subject to call-in.
- 13 There are no access to information issues arising as a result of this decision.

What are the key risks and how are they being managed?

- 14 The Council has a duty under the Care Act 2014, to promote the efficient and effective operation of a market in services for meeting care and support needs with a view to ensuring that any person needing services has a variety of providers and a variety of high quality services to choose from. In meeting this duty, the Council must have regard to the importance of ensuring the sustainability of the market within the city.
- 15 The Council is currently aware through data from the national Capacity Tracker, that some care homes are experiencing significant occupancy issues due to the pandemic. By supporting care home providers through this period with a contribution towards lost fees through low occupancy, the Council can ensure it is meeting its duty under the Care Act by supporting a sustainable care home market in the City.
- 16 Under Section 48 of the Care Act 2014, the Council has a temporary duty to meet the needs of service users where a provider within the local authority boundary is unable to provide care services due to business failure. This duty extends to all service users of that provider regardless of how that person's care is funded. Therefore, if a care home closed within the Leeds City Council boundary, Adults and Health would be responsible for ensuring the need of the residents of that home were met. The scheme will, in part, help to mitigate against the risk of business failure caused through low occupancy.

Does this proposal support the council's 3 Key Pillars?

- Inclusive Growth Health and Wellbeing Climate Emergency

- 17 The low occupancy support scheme will contribute to the Council's policies and the Best Council Plan including delivery of the better lives programme by contributing to: people living longer and healthier lives; helping people to live full, active and independent lives;

ensuring that people's quality of life is improved by access to quality services; and; helping people to live in healthy and sustainable communities.

Options, timescales and measuring success

a) What other options were considered?

18 Leeds City Council has provided support to the care home sector throughout the pandemic. Similar schemes have been used in neighbouring authorities.

b) How will success be measured?

19 By utilising the Low Occupancy Support Scheme, the Council can ensure it is assisting the care home market in the city to remain sustainable where providers have been affected by an increased mortality rate and a low number of admissions through the Covid-19 pandemic.

c) What is the timetable for implementation?

20 The scheme will be implemented once the decision has been approved and call-in has expired.

Appendices

21 Appendix 1 sets out full details of how the Low Occupancy Support Scheme will work. Appendix 2 is the Equality and Diversity Impact Assessment Screening Tool.

Background papers

22 None.