

23 February 2021

Dear Care Provider,

Workforce Capacity Fund for adult social care Grant 2021

Further to the Government announcement of the Workforce Capacity Fund for adult social care grant, I am writing to set out the arrangements for distributing that fund to Birmingham located CQC registered care homes and community care providers.

This letter forms the Grant Agreement and sets out further details of the administration of the Grant, its purpose, conditions and reporting requirements. Please read this carefully and ensure that you comply with the conditions, reporting requirements and instructions contained within.

Grant Agreement, Conditions of Payment and Assurance Statement

Section 1 - Background

On 18 September 2020 the government made a commitment in the adult social care COVID-19 winter plan to support local authorities and social care providers to maintain safe staffing levels over the winter period and to continue working with the care sector to ensure there is sufficient workforce capacity across services.

The restriction of routine staff movement remains critical to managing the risk of outbreaks and infection in care homes. The emergence of a new and highly transmissible variant of COVID-19 has resulted in increased staffing shortages due to staff testing positive for COVID-19 or having to self-isolate.

In addition, some people being discharged from hospital may require complex or increased social care as they recover from COVID-19 and other illnesses. To enable providers to meet these workforce challenges, on 16 January the government announced an extra £120 million funding to support local authorities to manage workforce pressures.

Section 2 - The Grant

Birmingham City Council's allocation funding is £2,800,148. 70% of this funding (£1,960,103.60) has been distributed to the Council in February. The Council will allocate this amount directly to eligible care homes and CQC registered community care providers. A further 30% (£840,044.40) will be allocated to the Council in March pending the submission to the DHSC by the Council of its fund spending plan. The Council intends to spend this part of the grant on other measures in order deliver increased workforce capacity to care homes experiencing COVID outbreaks; COVID positive citizens requiring care at home; and reduce the burden of assessment on the workforce of citizens being discharged from hospital to care homes.

The allocations to care homes and community care providers grant will be paid in one instalment:

Payment 1: February 2021

Birmingham City Council shall issue, in a single instalment, a total of £1,568,082.88 to care homes, within its local authority boundary and which have regularly completed the Capacity Tracker, on a 'per beds' basis, i.e. the number of beds each care home is registered to provide by the Care Quality Commission as at December 2020, and recorded in the CQC December 2020 Care Directory dataset. The Council shall issue , in a single instalment, a total of £392,020.72 to CQC registered community care locations, within its local authority boundary and which have regularly completed the Capacity Tracker, on a 'per user' basis, i.e. the number of service users as recorded in the Capacity Tracker in January 2021.

The amounts to be paid have therefore been calculated (with rounding) as follows:

Total allocation to care providers	£1,960,103.60
Allocation to care homes	£1,568,082.88
Actual CQC Registered Beds of Grant Conditions compliant care homes	7,167
Total allocation per bed	£218.79
Allocation to community care locations	£392,020.72
Total service users of Grant Conditions compliant providers	7104
Total allocation per user	£55.18

Section 3 - Grant Purpose

The purpose of this funding is to enable care providers to implement measures to supplement and strengthen adult social care staff capacity to ensure that safe and continuous care is achieved to deliver the following outcomes:

- maintain care provision and continuity of care for recipients where pressing workforce shortages may put this at risk
- to restrict staff movement between care homes and other care settings in all but exceptional circumstances, which is critical for managing the risk of outbreaks and infection in care homes
- support safe and timely hospital discharges to a range of care environments including domiciliary care, to prevent or address delays as a result of workforce shortages
- enable care providers to care for new service users where need arises

Providers are encouraged to be creative in their use of the funds which may include (but not exclusively) the following:

- Incentivisation of staff through overtime payments; contribution towards childcare and transport costs; loyalty bonus to improve retention;
- Purchase of additional capacity through agency or overtime;
- Direct support to staff, for example, mental health support;
- Enhanced training
- Use of technology to improve productivity and efficiency
- Recruitment campaigns and costs

Section 4 - Specific Conditions

Pursuant to section 31(4) of the Local Government Act 2003 the Secretary of State has attached conditions to the payment of the grant, and no payments shall be made unless certain conditions are met, including the local authority being satisfied that the funding is being used for workforce capacity enhancement purposes. Clawback provisions apply, including that the provider must repay any amounts not used for measures which support the increase of workforce capacity.

The grant funding is allocated to recipient care providers, and recipient care providers accept the funding on condition that the care provider:

1. uses it for measures in order to deliver the outcomes outlined in Section 3 only;
2. uses it for new expenditure that delivers additional staff capacity that has not already been funded by the Infection Control Fund or other sources of public funding
3. will provide the local authority with the attached Care Provider Assurance Statement by 03 March 2021 and commits to reporting to the Council on a monthly basis when requested which measures it has used the funding for. The Council will require care providers to complete an online form detailing which measures and activities they have spent the Grant on. Links to the online form shall be distributed via the Council Commissioning Team's weekly communication bulletin;
4. will provide the local authority with a statement certifying that they have spent the funding on those measures for the local authority return due to the DHSC by 15 May 2021;
5. if requested to do so will provide the local authority or DHSC with receipts or such other information as they request to evidence that the funding has been so spent;
6. provide DHSC or the local authority with an explanation of any matter relating to funding and its use by the recipient as they think necessary or expedient for the purposes of being assured that the money has been used in an appropriate way in respect of those measures;
7. will return any amounts which are not spent on those measures outlined;
8. is completing the Capacity Tracker regularly (at least weekly), and has committed to doing so for the duration of the grant;
9. must **not** use the grant for fee uplifts, expenditure already incurred or activities for which the local authority has earmarked or allocated expenditure or for activities which do not support the primary purpose of the Workforce Capacity Fund which is to deliver additional staffing capacity. This means the grant cannot be used on non-staffing capacity expenditure – for example, isolation pay;
10. must return to the Local Authority any unused funding, if the provider has not used all or any part of their allocation for the measures outlined;
11. must ensure that (a) there is no increase in any relevant rates from the existing rates, (b) third party charges are paid at the normal market rates, and (c) in no circumstances is any element of profit or mark-up applied to any costs or charges incurred;
12. must account for all payments funded by this grant and keep appropriate records, such as receipts and invoices. In so far as a provider does not use the entirety of the allocation in pursuit of the measures outlined, any remaining funds must be returned to the local authority;

Section 5 – How the money will be paid

The Council will prioritise distribution of the fund and take all reasonable steps to make payments within ten working days of receipt of the funding from Government. Where the Council holds a contract with a care provider, it will use the latest vendor and payment details to make the Workforce Capacity Fund payments.

Where the Council does not hold a contract with a care provider, but is currently funding a placement/placements on a spot purchase basis, the latest vendor and payment details will be used to make the Workforce Capacity Fund payments.

Where the Council does not hold any vendor or bank details, we will take all reasonable steps to obtain those details and process payments as promptly as possible.

Section 6 – Reporting Arrangements

As set out above, you will be required to submit:

- A signed Assurance Statement by 03 March 2021
- Reporting to the Council setting out which measures and activities you have used the funding for. Links to the online form shall be distributed via the Council Commissioning Team's weekly communication bulletin which can also be found at: <https://www.birmingham.gov.uk/blog/stm-bulletin>

Section 7 – Subsidy Control

From 1 January 2021, the government is no longer bound by the EU state aid rules. The Department for Business, Energy and Industrial Strategy published guidance on 31 December on complying with the UK's international obligations on subsidy control. The government considers that this grant, and the measures it is intended to support as specified in Section 3 are consistent with the UK's international obligations on subsidy control. This is because the measures will help detect COVID-19, hence reducing its incidence and spread, and are over and above that which care providers would normally be expected to provide.

Due to their potential to limit the transmission of COVID-19 and therefore prevent loss of life, these measures are of particular importance to care users, workers and their families, as well as being in the general public interest. Furthermore, without intervention they would not be provided by the market at the level or quality required, and thus to secure their provision, compensation needs to be provided to incentivise an undertaking or set of undertakings.

The measures that can be compensated are detailed in Section 3 above.

Section 8 – Care Provider Assurance Statement

Please complete Appendix 1 'Section 8 – WCF Care Provider Assurance Statement' return this by email to marketintelligence@birmingham.gov.uk by 03 March 2021.

Yours sincerely,



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