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Sent via email: [JGecsei@careengland.org.uk](mailto:JGecsei@careengland.org.uk)

Dear Professor Green

Thank you for your letter dated 4<sup>th</sup> February 2021.

The leadership and staff at Lancashire County Council along with our partners in the NHS are acutely aware of the impacts on providers as a result of the ongoing challenges that the pandemic has presented. We have been particularly proactive in understanding these challenges and supporting the market in a number of ways. This has included the provision of detailed information via weekly webinars and through practical support measures by way of administering government grants and financial support from the Council's own budget. We have gathered information from our providers through Lancashire's own tracker system which continues to evolve in order to provide us with the latest picture of our provider's position in terms of occupancy and preparedness in relation to the pandemic.

In terms of setting fee rates for 2021/22, we have carried out formal consultation and engagement with our market during November 2020. This has included inviting all of the providers we contract with to return a template of cost pressures they are/expect to experience over the next year. In addition to this, we invited all of our providers to a series of engagement sessions with commissioners to discuss both costs and market pressures. Our fee rates for 2021/22 reflect the engagement we had with providers and will be above inflationary fees increases on their current rates.

Our engagement with our market providers has furnished us with a good understanding of the impacts of the pandemic on individual providers as well as the market as a whole. We recognise the points you raise in your letter and will continue to engage with our market to ensure it remains resilient and is shaped to meet our resident's needs for the future.

Please find below our answers to your specific questions in the order in which you have raised them:

1. The nature of the additional and direct financial COVID-19 support the Council has provided since the commencement of the pandemic.  
The council has operated a number of support schemes

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a) Financial Assistance

The county council recognised providers faced increased costs associated with the pandemic e.g. additional staffing and PPE costs for example. Providers were reimbursed for these costs upon receipt of a simple application form detailing their incremental cost pressures associated with the Pandemic.

b) Infection Control 1

The Adult Social Care Infection Control Fund was worth £16 million in Lancashire. The primary purpose of this fund was to support adult social care providers, including those with whom the local authority does not have a contract, to reduce the rate of COVID-19 transmission in and between care homes and support wider workforce resilience.

The county council utilised the fund to support care homes, day centres and community based providers.

c) Infection Control 2

Due to its success in limiting the transmission of COVID-19 within and between care settings, the Adult Social Care Infection Control Fund was extended until March 2021, with an extra £15 million of funding in Lancashire. The county council passported £14.5 million of this money directly to CQC registered providers.

d) Auxiliary Workforce

This programme is designed particularly to support care home and supported living providers maintain a safe service when they have experienced insurmountable staff shortages. This auxiliary workforce will be employed by the council itself and in the event that it is deployed in a service it will be provided free of charge to the provider for the duration.

e) Adult Social Care Rapid Test Fund

The main purpose of this funding is to support additional rapid testing of staff in care homes, and to support visiting professionals and enable indoors, close contact visiting where possible. This includes adult social care providers with whom the local authority does not have a contract.

This is a new fund and we are in the early days of administering the grant. In Lancashire this fund is worth £4million, of which £3million has been allocated for transfer directly to providers (subject to acceptance of the governments grant terms and conditions).

f) Workforce Capacity Fund

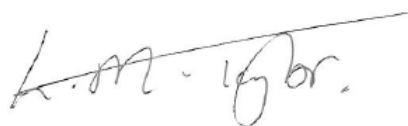
On 18 September 2020 the government made a commitment in the adult social care COVID-19 winter plan to support local authorities and social care providers to maintain safe staffing levels over the winter period and to continue working with the care sector to ensure there is sufficient workforce capacity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

This is a new fund and we are in the early days of administering the grant. Funding was made available in late January 2021 and is worth £2.7 million in Lancashire. As at the time of writing, no money has been transferred to

registered providers, however the county council intends to passport 96% of the grant directly to CQC registered providers (the governments grant conditions do not permit the county council to transfer money directly to non CQC registered providers).

2. Of the financial support referred to in (1) above, is it continuing? If not, for what period was it provided? If it is continuing, for how long will it continue?
  - a) Financial Assistance: April 2020 – October 2020
  - b) Infection Control 1: June 2020 – September 2020
  - c) Infection Control 2: October 2020 – March 2021
  - d) Auxiliary Workforce: April 20 - ongoing
  - e) Adult Social Care Rapid Test Fund: February 2021 – March 2021 (announced Jan 2021)
  - f) Workforce Capacity Fund: February 2021 – March 2021 (announced Jan 2021)
  
3. Of the financial support referred to in (1) above, did it include any support to address the financial impacts of falling occupancy levels?  
No.
  
4. What was the care home occupancy level in your local area in March and April 2020 and what was this occupancy level in December 2020 and January 2021?  
March 2020 – Accurate data not available  
April 2020 – Accurate data not available  
December 2020 – 87%  
January 2021 – 87%
  
5. What fee level increases are being proposed by the Council for the year 2021/22?  
On average 3.4% across all commissioned care services.
  
6. If not already addressed within the answers to questions (1) to (5) above, what other forms of financial support for care providers is the Council considering for the remainder of the financial year 2021/22 to assist the sustainability of their care service provision during this period?  
N/A
  
7. Has the Council consulted on any of the foregoing; if not does it propose doing so and when does it propose doing so?  
Yes.  
The council held a provider consultation exercise regarding fee uplifts for the financial year 2021/22. Over 600 providers were invited to provide information. Approximately 35 did so.

Yours sincerely



**Louise Taylor**  
Executive Director of Adult Services and Health & Wellbeing