



RISK, AUDIT AND PERFORMANCE COMMITTEE

Date of Meeting	26 January 2021
Report Title	Provider Service Risk - Update
Report Number	HSCP21.006
Lead Officer	Alex Stephen
Report Author Details	Jean Stewart-Coxon Strategic Procurement Manager (Social Care) jstewartcoxon@aberdeencity.gov.uk
Consultation Checklist Completed	Yes/No
Appendices	a. Provider Sustainability Payments

1. Purpose of the Report

- 1.1. This report gives an update on the risks relating to the sustainability of social care service providers linked to Covid19 and the processes in place to mitigate such risks.

2. Recommendations

- 2.1. It is recommended that the Risk, Audit and Performance Committee:
- a) Note the content of this report and the work that is being done to support service provider sustainability in the social care sector

3. Summary of Key Information

- 3.1. Covid19 has presented a recognised risk to the sustainability of social care service providers. The risk arises from increased costs and reduced income. Examples of increased costs include the price and availability of PPE, and increased staffing costs linked to staff having to be off sick or self-isolate and cover being arranged. Examples of reduced income include voids in care home where the care home has



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not been able to admit new residents, and the reluctance of some families to admit carers into the family home.

- 3.2.** The Scottish Government is supporting the sector with additional funding and a set of national principles been introduced for sustainability and remobilisation payments; this has been issued jointly by Health and Social Care Scotland and COSLA. The principles include a 'social care support fund' that enables care and support staff to be paid in full whilst absent from work for Covid related reasons.
- 3.3.** The social care team within Commercial and Procurement Shared Service (CPSS), working collaboratively with Aberdeen City and Aberdeenshire HSCPs have designed and implemented a process for service providers of critical services (ie care homes, care at home and supported living services) to submit claims for additional costs and reduced income. Claims must be accompanied by supporting evidence and once approved by the Chief Finance Officer, providers are paid promptly by finance staff.
- 3.4.** Arrangements are also in place to support providers of non-critical services (ie support services and training/skills development services), mostly by flexibility in expectation of strict compliance with contractual service specifications, and continuation of payment for planned care and support.
- 3.5.** The work is complex and resource intensive. Although we follow national guidance, the guidance is open to interpretation and is updated frequently, bringing about the need to amend the local guidance that we issue to service providers and the paperwork we expect them to complete.
- 3.6.** There are two significant challenges in relation to the work, one is in applying consistency to decision making in this changing landscape. Providers are now required to submit monthly claims and care needs to be taken to ensure that the guidance for any period is aligned to the claim for the same period. There are regular (two weekly) meetings held for members of the collaborative group, where discussions take



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place to support consistency of approach by Aberdeen City and Aberdeenshire for all types of services.

- 3.7.** The other significant challenge is in ensuring that suitable evidence is submitted to support the provider claims. Claims are initially received and scrutinised by contract managers, then added to a tracker and the supporting evidence uploaded to at Teams site. The claims and supporting evidence are then reviewed by finance colleagues and either approved or further discussions arranged with providers if there is a need to seek further clarity or evidence. Again, the collaborative meetings help to ensure a consistent approach in relation to the evidence requested and provided.
- 3.8.** On final approval, the agreed amount is transferred to a payment tracker that Finance colleagues have access to in order to initiate payments. Providers are encouraged to submit their monthly claims as promptly as possible, but there is sometimes a significant delay. We have considered issuing deadlines and holding firmly to them, but this is not thought to be appropriate.
- 3.9.** The social care team continues to support all providers of social care services in Aberdeen City through the processes set out above and will continue to do so as long as required in line with national guidance. The financial support is being re-claimed from Scottish Government by means of the mobilisation plan. No businesses in Aberdeen City have failed because of the risks linked to Covid19.
- 3.10.** Routine contract monitoring has been suspended for the duration of the Covid emergency, to allow providers to focus attention on delivering services. This has provided an opportunity for the CPSS social care team to review the way in which they monitor contracts and to design a process that will provide more meaningful information on the risks to service provision. The review is in progress; the aim is to test out the new process before the end of the current financial year and, if successful, to fully implement it in 2021/22.



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4. Implications for IJB

- 4.1. **Equalities** - There are no equalities implications arising from this report, which relates to service provider risk and has no differential impact on people with protected characteristics
- 4.2. **Fairer Scotland Duty** - There are no implications under the Fairer Scotland Duty
- 4.3. **Financial** - There are no direct financial implications arising from the recommendations of this report.
- 4.4. **Workforce** - There are no workforce implications arising from this report
- 4.5. **Legal** - There are no direct legal implications arising from the recommendations of this report.

5. Links to ACHSCP Strategic Plan

- 5.1 This report links to Strategic Aim 3 Personalisation “Ensuring that the right care is provided in the right place and at the right time when people are in need”. It also links to Enabler 7.2, Principled Commissioning, and the commitment that all commissioned services enhance the quality of life for people and their carers.

6. Management of Risk

6.1. Identified risks(s)

There is a risk that the IJB does not get assurance and accountability for all of the money that it spends on services provided by external bodies.





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6.2. Link to risks on strategic or operational risk register:

These proposals are linked to Risk 2 on the Strategic Risk Register “There is a risk of IJB financial failure and projecting an overspend, due to demand outstripping available budget, which would impact on the IJB’s ability to deliver on its strategic plan (including statutory work).”

6.3. How might the content of this report impact or mitigate these risks:

By maintaining formal contractual arrangements and robust processes to monitor contracts with external organisations the IJB has assurance not only that it is getting best value but also that this expenditure is aligned to their strategic priorities and is reviewed regularly.

Approvals	
	Sandra Macleod (Chief Officer)
	Alex Stephen (Chief Finance Officer)