

**Special Urgency Decision  
Cabinet (Resources) Panel**

<b>Report title</b>	Amendments to Council Budget and decisions related to Council actions as result of Covid-19	
<b>Decision Maker</b>	Special Urgency Decision	
<b>Cabinet member with lead responsibility</b>	Councillor Ian Brookfield Leader of the Council	
<b>Wards affected</b>	All Wards	
<b>Accountable Director</b>	Claire Nye, Director of Finance	
<b>Originating service</b>	Finance	
<b>Accountable employee</b>	Alison Shannon	Chief Accountant
	Tel	01902 55 4561
	Email	<a href="mailto:Alison.Shannon@wolverhampton.gov.uk">Alison.Shannon@wolverhampton.gov.uk</a>

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**Recommendation for decision:**

That the Leader of the Council, two cabinet members, and the Chair and Vice Chair Scrutiny Board formally authorise the following decision under the special urgency provisions at paragraphs 6.10 and 6.11 of the Council's Constitution to:

1. Establish supplementary revenue expenditure budgets totalling £174,265 for the enforcement surge funding fully funded by Government Grant to support the financial implications of increased enforcement on Covid compliance.
2. Establish supplementary revenue budgets totalling £198,000, fully funded by the Next Steps Accommodation Programme for continuing to support rough sleepers supported during the Covid response.
3. Establish supplementary revenue budgets totalling £273,765.47 fully funded by Government Grant for the new test and Trace Payment scheme.
4. Agree payments to individuals under the new Test and Trace Support Payment scheme who have tested positive for Covid-19 and their close contacts, in line with Government Guidance in line with the information in section 2 of the report.

5. Approve the Council extending the grant agreement already in place between the Ministry of Housing, Communities and Local Government (MHCLG) and CQC registered care providers in the city together with any ancillary documents necessary for the Council to receive Infection Prevention Control Grant.
6. Approve an increase of £3.0 million to the supplementary budget of £3.3m created on 16 June 2020 and expenditure in line with the grant terms and conditions. The additional monies are fully funded by the Adult Social Care Infection Prevention Ring Fenced Grant Round 2, October 2020 – March 2021 provided by MHCLG. This funding will be paid as a Section 31 grant ring fenced exclusively for actions which support CQC registered care homes and community care providers mainly to tackle the risk of Covid19 infections and is in addition to funding already received. 80% of the ring-fenced grant must transfer directly to CQC registered Care Homes and Providers in the city ( 2403 beds in total and 2281 in receipt of community care) and 20% spent by the local authority in line with grant conditions.
7. Approve the proposed communication and process for allocation and monitoring of 80% of the grant funding to Care Homes and Providers in line with the grant conditions as set out in section 3.
8. Approve the plan for the allocation of the 20% of grant funding to the Wolverhampton System in line with the grant conditions as set out in section 3
9. Endorse the contract entered into for the supply of additional PPE gloves to ensure a continuous supply of gloves for health and safety purposes for the Council and partners for £330,000

This is agreed by the following:

Leader of the Council – Councillor Ian Brookfield

Cabinet Member for City Economy – Councillor Stephen Simkins

Cabinet Member – Councillor Steve Evans

Chair of Scrutiny Board – Councillor Paul Sweet

Vice-Chair of Scrutiny Board – Councillor Johnathan Crofts

9 October 2020

## 1.0 Purpose

As a result of the COVID-19 outbreak a number of changes are needed to the Council's budget approved by Full Council on 4 March 2020. These are set out in the report below.

## 2.0 Background

- 2.1 **Enforcement Grant** – On 8 October the Secretary of State for Local Government announced funding for the Council to support a range of additional compliance and enforcement activity in relation to Covid. This totals £174,265 for this Council.
- 2.2 **Rough Sleepers** – In response to the national lockdown in March 2020, the Council worked with a local Hotel to set up temporary accommodation facility giving access to 74 self-contained rooms, to ensure rough sleepers and those in need of temporary accommodation were able to self isolate during the national lockdown. This project was funded from the Covid-19 Emergency Funding for Local Government.
- 2.3 The Council has now been successful in securing additional funding of £198,000 from the Next Steps Accommodation Programme (NSAP) so to continue to support rough sleepers supported during the Covid response for the remainder of 2020-2021.
- 2.4 The funding is ringfenced and must only be used for the purpose set out in the grant agreement. In addition, the funding is subject to the following additional conditions:
- Funding must be used to achieve move-on for those rough sleepers accommodated during the pandemic and a sustained reduction in rough sleeping in our local area
  - We will agree to discuss and engage in communications on the NSAP programme where requested
  - We will work with MHCLG analytical and policy teams for the national NSAP evaluation.
- 2.5 **Test and Trace Payment Scheme** – On 20 September 2020, Government announced that from 28 September, there will be a new legal duty on all those who test positive for Covid-19 or are identified by NHS Test and Trace as a close contact, to self-isolate. Failure to comply will be an offence and carry a fine. Support those who are required to self isolate who are on low incomes and who are not able to work from home, a new Test and Trace Support Payment scheme has been announced. Individuals who are eligible will be entitled to a £500 lump sum payment.
- 2.6 Funding for the Council has been confirmed as:
- Programme Costs (payments to applicants of main scheme) **£145,000**
  - Administration costs **£41,576**
  - Discretionary payments **£87,189.47**

**Total**

**£273,765.47**

- 2.7 Local authorities have been asked to administer this scheme and put in place arrangements to process applications and make these payments. Local authorities need to have the scheme in place as quickly as possible and by 12 October at the latest. Individuals who are eligible who are notified on or before the 28 September that they have to self-isolate will be able to make back dated claims where necessary. The Council has systems in place and is ready to go live immediately.
- 2.8 The council will be fully reimbursed for any payments made under this scheme. The scheme will run from 28 September 2020 to 31 January 2021.
- 2.9 To be eligible for the Test and Trace Support Payment, an individual must on or after 28 September 2020:
- i. have been asked to self-isolate by NHS Test and Trace either because they've tested positive for coronavirus or have recently been in close contact with someone who has tested positive;
  - ii. be employed or self-employed;
  - iii. be unable to work from home and will lose income as a result; and
  - iv. be currently receiving a 'qualifying benefit' being: Universal Credit, Working Tax Credit, income-based Employment and Support Allowance, income-based Jobseeker's Allowance, Income Support, Housing Benefit and/or Pension Credit.
- 2.10 The Discretionary Test and Trace Support Payment will support applicants who do not satisfy the main scheme criteria, but require corresponding financial support to self-isolate. A person cannot qualify for both payments.
- 2.11 The most recent guidance regarding eligibility to a discretionary payment, states that a £500 discretionary payment can be made where the elements shown at i) – iii) (in para 2.9) are satisfied, but the applicant:
- a) is not receiving one of the 'qualifying benefits' shown at iv) (para 2.9) ; and
  - b) is on a low income and will face financial hardship as a result of not being able to work whilst they are self-isolating.
- 2.12 It is proposed that the following is used as the criteria of a low income:
- An annual threshold income of £18,480 for our discretionary scheme for a single person with no children (this is in line with government thresholds for low income , being 60% of national median disposable income)
  - An annual threshold income of £20,000 where children are in the household. (this is in line with the national benefit cap)

- 2.12 **Infection Prevention Control Fund** – On 18 September, the Government set out the key elements of national support available for the social care sector for winter 2020 to 2021. This announcement included providing over £500 million of additional funding to extend the Infection Control Fund to March 2021.
- 2.13 On the 1 October 2020 Government set out details and conditions attached to the Adult Social Care Infection Prevention Ring Fenced Grant (2020) Round 2. This grant will be paid in 2 equal instalments;
- Payment 1: October 2020
- Payment 2: December 2020
- 2.14 To receive the second instalment, authorities must be satisfied that Residential care providers, including homes with self-funding residents and homes run by local authorities, will have completed the Capacity Tracker at least twice (in consecutive weeks) and committed to completing the Tracker on a consistent basis to be eligible to receive funding. The payment of the round 2 funding is contingent on the first being used for infection control measures and being used in its entirety.
- The Department of Health and Social Care's expectation is that the grant will be fully spent by local authorities on infection control measures of the specified kinds no later than 30 March 2021. If at the end of March 2021 there is any underspend or the Department is not convinced that the authority has spent the funding according to the grant conditions outlined in the Grant Determination, the Secretary of State may reduce, suspend or withhold grant payments or require the repayment of the whole or any part of the grant monies paid, as may be determined by the Secretary of State and in writing to the authority.
- 2.15 The funding will be administered through a funding agreement between the City of Wolverhampton Council and 66 CQC registered care homes in city and CQC registered providers of Home Care, Extra Care and Supported Living
- 2.16 Criteria for spend has been widened for the second round, a full (but not exhaustive list can be found in **Appendix 1**
- 2.17 The local authority must ensure that funding which it allocates for a measure described above is allocated on condition that the recipient care provider:
- uses it for those measures only
  - will provide the local authority with a statement certifying that that they have spent the funding on those measured on a monthly basis in line with reporting dates required by DHSC.
  - 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,

- 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.
- will return any amounts which are not spent on those measures

## 2.18 Eligibility

- A. A local authority must ensure that funding which it allocates for a measure described above is allocated on condition that the recipient care provider:
- B. uses it for those measures only
- C. will provide the local authority with a statement certifying that that they have spent the funding on those measures on a monthly basis from November 2020 – April 2021.
- D. 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,
- E. 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.
- F. The local authority will return any amounts which are not spent on those measures

2.17 **PPE Gloves** - Due to the length of time the crisis has been ongoing we have reasonable usage figures to estimate ongoing requirements for gloves. There are significant fluctuations in pricing which can vary dramatically and availability, suppliers will not hold stock and it can sell within a day of becoming available. Additional gloves were needed urgently to ensure that the Council and partner organisations had sufficient stocks available to carry out activities safely as a result there was no time to obtain formal approval from Cabinet (Resources) Panel for award of this contract. Due diligence has been conducted by way of a credit reports and acquiring certification of the gloves to be provided. The gloves have been approved for certification by both our Health and Safety and Trading Standards teams.

2.18 The supplier has also agreed payment on account, currently most suppliers are requesting payment up front, this puts added risk on Council funds. The costs of the gloves are being met from existing budgets.

## 3.0 Reasons for Special Urgency

3.1 In the light of the current situation involving COVID-19 the Council will at times need to use its urgent action powers for any decisions that must be taken very urgently. These powers are to be used sparingly and the guiding principles for any decisions are:

- I. Only those decisions that have to be made (ie as a result of COVID-19 or related matters, including support of businesses in this difficult time or as a result of an immovable deadline) will be made
- II. The decisions will be made or endorsed (where the decisions have to be made very urgently) using the Urgent Action powers
- III. The decisions will be made available on a regular basis to Councillors through the daily update to Councillors and in any event through a weekly round up of the decisions made through the relevant pages on the Council's website so that the Public can access them

The relevant powers under the Constitution are:

### **Council Decision**

#### **6.10 Urgent Decisions outside the Budget or Policy Framework**

*An urgent decision which is contrary to the Policy Framework or budget adopted by the Council may be taken by the Cabinet if the Chair of the Scrutiny Board agrees that the decision is urgent. If no such Chair is available (or willing) then the Mayor or in his/her absence the Deputy Mayor may agree that it is urgent before a decision is taken.*

#### **6.11 Cabinet Decision**

*Where an urgent decision on a matter delegated to the Cabinet is required but it is not feasible to arrange a meeting of the Cabinet, the appropriate Director, in conjunction with the Head of Paid Service is authorised to take the appropriate urgent action provided that the action shall have first been discussed with and approved in writing by the Leader (or in the Leader's absence, the Deputy Leader) and two other Cabinet Members and the Chair and Vice-Chair of the Scrutiny Board or their nominees.*

*The written authorisation must include details of the proposal and the justification for the course of action. Expenditure must be within existing budgets. Any action taken under this rule must be reported to the next available meeting of the Cabinet for information. Such decisions will not be subject to the usual Call In procedures set out in Part 4, although they may be examined after implementation to determine whether the justification for the course of action was appropriate.*

- 3.2 This proposed decision falls into the criteria for urgent decisions set out above. As detailed above the matters covered in this report are ones that do not have authority unless covered by this report and must be made to protect the vulnerable and the financial and physical wellbeing of residents and businesses in the City.

#### **4.0 Reasons for decision**

- 4.1 The Council has legal and moral duties in relation to a number of aspects arising from COVID-19 this decision gives the authority to take the steps outlined in the report and to expend monies on these key issues.

#### **5.0 Evaluation of alternative options**

- 5.1 There are no alternatives other than taking a less thorough response to COVID-19, it is felt that this would put the Council at risk legally and morally. As such an urgent decision must be made.

#### **6.0 Financial implications**

- 6.1 This report seeks approval to establish supplementary revenue budgets fully funded by Government Grant to support enforcement of Covid compliance, Next Steps Accommodation Programme, Infection prevention and Test and Trace Payments.
- 6.2 On 8 October the Secretary of State for Local Government announced funding for the Council to support a range of additional compliance and enforcement activity in relation to Covid. City of Wolverhampton will receive £174,265.
- 6.3 The Council has now been successful in securing additional funding of £198,000 from the Next Steps Accommodation Programme (NSAP) so to continue to support rough sleepers supported during the Covid response for the remainder of 2020-2021. The funding is ringfenced and must only be used for the purpose set out in the grant agreement
- 6.4 This report recommends increasing the approved supplementary Infection Prevention budget of £3.3 million by the latest grant allocation of £3.0 million, and approving expenditure in accordance with grant terms and conditions. This budget will be fully funded by the Adult Social Care Infection Control Fund grant.
- 6.5 The Council is required to pay 80% of the total grant over to all CQC registered care homes and community care providers in Wolverhampton within 20 days of receipt. The Council can then determine how to distribute the remaining 20% within specified guidelines. As detailed above the grant will be received in two tranches and must be spent by the end of March 2021. The care homes will be required to sign an agreement confirming their compliance with the grant conditions and commit to regular reporting before receiving any funding. This agreement protects the Council from risk of grant clawback by the Department of Health and Social care by mirroring the grant conditions and reporting requirements as detailed in the body of this report. If these conditions are not complied with the Council will be able to withhold or clawback funding from care homes as required.
- 6.6 In addition, Government have also announced a Test and Trace Payment Support scheme to support people on low incomes who are unable to work while self-isolating

because they cannot work from home. Individuals who meet the criteria will be entitled to a £500 lump sum payment. The scheme will run from 28 September 2020 to 31 January 2021.

[CN/09102020/G]

## **7.0 Legal Implications**

- 7.1 There are a number of legal aspects. The key here is that the budget needs to be amended so that authority is in place for spend against that budget.
- 7.2 In relation to the awards of contracts and the Infection Prevention Control Grant the primary legal issue is compliance with the Public Contract Regulations 2015 – whilst ordinarily there would be a requirement to carry out a process of competition in the 2015 Regulations that does not apply in an emergency such as the Covid-19 pandemic situation. However work has been carried out to ensure that best value is still being provided including seeking quotes from other providers, before entering into contracts, (where possible) and benchmarking against existing costs. Where possible we are seeking to use local providers to assist local businesses at this difficult time
- 7.3 Support provided to care providers by local authorities using the grant paid to them from the Adult Social Care Infection Control Fund may constitute state aid. Local Authorities must comply with relevant state aid legislation when making allocations of the grant. Legal advice has been sought and adhered to
- 7.4 The Council and Providers will need to comply with the terms of the grant agreement in order to receive the funding and may be subject to clawback if it does not comply with the terms.

[DP/09102020/A]

## **8.0 Equalities implications**

- 8.1 The report has no direct equalities implications, however, the Council's response to Covid-19 will support the most vulnerable residents across the City.

## **9.0 Climate change and environmental implications**

- 9.1 There are no direct climate change and environmental implications.

## **10.0 Human resources implications**

- 10.1 There are no direct human resource implications.

## **11.0 Corporate Landlord implications**

- 11.1 There are no direct corporate landlord implications.

## **12.0 Covid Implications**

12.1 The Covid-19 pandemic has had a significant international, national and regional impact, and will continue to have significant financial implications for the Council. The funding detailed in this report will support the council in delivering services in response to the pandemic.

## **12.2 Schedule of background papers**

12.3 2020-2021 Budget and Medium Term Financial Strategy 2020-2021, report to Full Council on 4 March 2020

**Appendix 1 Residential settings**

IPC measure	Examples of how funding can be spent
Ensuring that staff who are self-isolating receive their normal wages	Uplift the pay of staff who are self-isolating in line with government guidance to their normal wages to ensure they do not lose income while doing so. This would uplift the pay of those who need to isolate and who would normally receive less than their full wages (whether Statutory Sick Pay or a preferential but partial payment) while unwell or isolating.
Limiting all staff movement between settings unless absolutely necessary, to help reduce the spread of infection. This includes staff who work for one provider across several care homes, staff that work on a part-time basis for multiple employers in multiple care homes or other care settings (for example in primary or community care). This includes agency staff (the principle being that the fewer locations that members of staff work in the better).	Compensating staff whose normal hours are reduced due to restrictions on their movement. Paying overtime rates for staff to take on additional shifts in order to reduce reliance on agency or other workers who would normally work across settings (although not for a general increase in rates of pay for shifts they would have typically worked). Cover additional costs incurred to ensure employee doesn't work in other settings, such as compensating for lost wages
Limiting or cohorting staff to individual groups of residents or floors/wings, including segregation of COVID-19 positive residents	Paying for extra staff cover to provide the necessary level of care and support to residents. Paying for structural/physical changes to support separation of floors/wings and/or residents. Payments to offset reduced occupancy where this is required to implement appropriate cohorting/zoning of residential establishments.
Supporting active recruitment of additional staff (and volunteers) if they're needed to enable staff to work in only one care home or to work only with an assigned group of residents or only in specified areas of a care home	Recruitment costs, paying for additional staff, agency staff costs, associated management costs, training costs (free induction training is available through Skills for Care) incurred as a result of these measures.
Steps to limit the use of public transport by members of staff (taking into account current government guidance on the safe use of other types of transport by members of staff)	The cost of bike, taxi, minibus or car mileage to collect staff teams in a locality. The cost of parking, provided that there is no free parking available on site. Costs associated with the creation of a changing facility, including structural changes. The cost of reduced occupancy where this is required to convert a bedroom into a changing facility. Provision of extra facilities such as bike stands.
Providing accommodation for staff who proactively choose to stay separately from	This may be provision on site or in partnership with local hotels: the use of spare rooms within

IPC measure	Examples of how funding can be spent
their families in order to limit social interaction outside work	the home which should be equipped to make staff comfortable, and the 'accommodation cost' being charged with the addition of light, heat and food.
Safe visiting	Dedicated staff to support and facilitate visits. Additional IPC cleaning in between visits. Capital based alterations to allow safe visiting such as altering a dedicated space.
Ensuring that staff who need to attend work for the purposes of being tested (or potentially in the future, vaccinated) for COVID-19 are paid their usual wages to do so, and any costs associated with reaching a testing facility	Payments to staff at their normal hourly rate to attend work or a suitable testing facility when are not on shift. This includes compensation for travel time taken to reach a testing facility if required. Costs associated with testing, including the costs of fuel or transport to reach a testing facility.

**Community care settings**

IPC measure	Examples of how funding can be spent
Ensuring that staff who are self-isolating receive their normal wages	Uplift the pay of staff who are self-isolating in line with government guidance to their normal wages to ensure they do not lose income while doing so. This would uplift the pay of those who need to isolate and who would normally receive less than their full wages (whether Statutory Sick Pay or a preferential but partial payment) while unwell or isolating.
Meeting additional costs associated with restricting workforce movement for infection control purposes. This includes staff who work on a part-time basis for multiple employers or in other care settings particularly care homes. This includes agency staff (the principle being that the fewer locations that members of staff work in the better).	Compensating staff whose normal hours are reduced due to restrictions on their movement. Paying overtime rates for staff to take on additional shifts in order to reduce reliance on agency or other workers who would normally work across settings (although not for a general increase in rates of pay for shifts they would have typically worked). Cover additional costs incurred to ensure employee doesn't work in other settings, such as compensating for lost wages.
Steps to limit the number of different people from a home care agency visiting a particular individual or steps to enable staff to perform the duties of other team members/partner agencies (including, but not limited to, district nurses, physiotherapists or social workers) when visiting to avoid multiple visits to a particular individual.	Paying for additional staff and/or staffing costs to implement successful 'cohorting'. Funding additional administrative costs of dividing up the workforce and arranging logistics. Paying for additional training and relevant risk assessments to enable staff to perform the duties of other team members/partner agencies.

IPC measure	Examples of how funding can be spent
<p>Ensuring that staff who need to attend work for the purposes of being tested (or potentially in the future, vaccinated) for COVID-19 are paid their usual wages to do so, and any costs associated with reaching a testing facility</p>	<p>Payments to staff at their normal hourly rate to attend work or a suitable testing facility when are not on shift. This includes compensation for travel time taken to reach a testing facility if required. Costs associated with testing, including the costs of fuel or transport to reach a testing facility.</p>
<p>Steps to limit the use of public transport by members of staff (taking into account current government guidance on the safe use of other types of transport by members of staff)</p>	<p>The cost of bike, taxi, minibus or car mileage to collect staff teams in a locality. The cost of parking, provided that there is no free parking available on site. Costs associated with the creation of a changing facility, including structural changes. The cost of reduced occupancy where this is required to convert a bedroom into a changing facility. Provision of extra facilities such as bike stands.</p>