

Guidance for financial support for social care providers during COVID-19 from December 2020 to March 2021

Introduction

This guidance sets out the arrangements for providing financial support to social care providers for costs relating to the COVID-19 pandemic from December 2020 to March 2021. It covers support for sustained, significant impacts to service delivery, and the commitment to meet reasonable additional costs both incurred as a result of the pandemic. Any costs incurred prior to December should be treated in line with the appropriate version of the provider sustainability principles which can be found [here](#). This agreement has been reached in recognition that further, more targeted, support will be necessary to ensure the social care sector remains sustainable and continues to deliver high quality care and support to ensure people's needs are met and the workforce is supported in response to the pandemic. The guidance aims to deliver clear, straightforward arrangements; reduce bureaucracy and staff time involved in its implementation and reduce uncertainty for supported people, providers and commissioners of services.

This guidance will be periodically reviewed to ensure that the arrangements in place remain appropriate. This will be done in partnership with representatives from the sector. This guidance is only for services that are delegated to the Integration Joint Boards as it is linked to the political agreement to meet reasonable additional costs through the Local Mobilisation Plans.

Ongoing, responsive, and collaborative direct dialogue between providers and commissioners is essential alongside this guidance.

Guidance

Relating to services and supports where there is a sustained, significant impact on delivery due to the COVID-19 pandemic and/or where additional costs have been incurred as a result of the pandemic

1. The following sections set out:
 - The criteria that need to be met for financial support for care and support that cannot be delivered as a direct result of the COVID-19 pandemic;
 - Categories of additional costs that may be met, where not met by other funding sources or payments for care and support that cannot be delivered as a direct result of the COVID-19 pandemic;
 - Details of the approach to providing supporting evidence for costs; and
 - Key principles relating to requesting and making payments for providers and commissioners.

Section 1: Determining whether a payment can be made for care and support that is not delivered as a direct result of the COVID-19 pandemic

2. Services/supports where there is an ongoing impact on delivery due to COVID-19 will be able to access payment for care/support that cannot be delivered if certain criteria are met. These criteria are set out in this section at points 5-17 below.

3. This targeted approach to ensure that services and supports that are experiencing an ongoing significant impact to delivery are supported, replaces the previous approach to payment for planned care, which will stop at the end of November 2020. The criteria set out below should be considered by commissioners and providers together, to support decisions about when payments can be made for non-delivered care and support to ensure services and supports remain sustainable.
4. There may be occasions where service models or delivery are changed and normal contractual considerations about provision of care and support in local areas should be followed where this is the case.

Reason for non-delivery of care and support

5. Providers and commissioners should establish that any ongoing, significant reduction or suspension in delivery is as a direct result of the COVID-19 pandemic. Normal fluctuations in delivery are not covered by this funding.
6. Examples of where the COVID-19 pandemic may cause a reduction in delivery include:
 - It is clinically unsafe to admit people to a care home in accordance with Public Health Scotland guidance;
 - Public Health restrictions mean that services/supports cannot operate at sustainable capacity, or cannot operate at all;

Ongoing and sustained impact on service delivery as a direct result of the pandemic reducing the ability to deliver services.

The Social Care Support Fund is available where staff are sick with Covid-19 or required to self-isolate.

7. Where the reason for non-delivery of care and support is not related to COVID-19, the provider should contact the commissioning authority to make them aware, so that they can work together to consider local support for providers in financial difficulty, as would be the case pre-COVID-19.

Potential for staff to deliver another service/support temporarily

8. Where evidence supports that the reduction or suspension in delivery of care and support is directly as a result of the COVID-19 pandemic; providers and commissioning authorities should consider whether staff who would usually be providing that care and support can temporarily deliver another service/support in the Health and Social Care Partnership area. This could be either within the same organisation, or to other services/organisations, providing this is consistent with wider public health and infection prevention and control measures in place at the time. This may not necessarily be through formal redeployment.
9. This consideration must respect existing contractual obligations towards workers/employees. Options that go beyond contractual arrangements must be voluntary.

10. It is recognised that, particularly in relation to redeployment, this is a complex process. Collaborative conversations between providers and commissioners will need to take a wide variety of aspects into account, including:

- contractual obligations;
- engagement with Trade Unions;
- local service delivery requirements;
- staff skills;
- geographic location of staff and services;
- practical considerations around travel, training, safety;
- implications for infection prevention and control;
- implications for pay rates and terms and conditions/employment arrangements;
- how Fair Work principles will be met;
- mitigating the risk of longer term loss of staff from a provider if their staff are temporarily redeployed to another organisation; and
- clear responsibilities for each party.

11. Consideration of whether staff can temporarily deliver another service will include flexible and creative alternatives and the use of digital solutions. It will also involve providers taking on new service users where it is clinically safe to do so. There is clear evidence across the country that there has been detailed consideration and implementation by the sector of flexible, creative and responsive social care support during the pandemic, and this approach should continue, or be adopted by providers and commissioners if not already.

12. Expectations set out in the Adult Social Care Winter Preparedness Plan around providers limiting staff movement within and between care settings, and Public Health guidance, must be followed and considered as part of these discussions. Where arranging for staff to temporarily deliver another service/support would contravene limitations around staff movement or Public Health guidance, this option will not be appropriate.

Potential to furlough staff

13. If providers and commissioners have worked through points 5-12 above, and the impact on the worker's hours is likely to be significant and sustained, and it is not possible for staff to temporarily deliver another service/support, then national reliefs such as the UK Government's Coronavirus Job Retention Scheme (furlough scheme) should be accessed in the first instance, before consideration of payment by the Health and Social Care Partnership for any care and support that cannot be delivered.

14. The UKG Coronavirus Job Retention Scheme has now re-opened to applications and will be open until the end of March 2021. All social care employers should use the UKG Coronavirus Job Retention Scheme where staff are unable to work (either partially or in full) for sustained periods.

15. Specific guidance for social care employers on the Scheme was approved by UKG Department of Health and Social Care, and was published in May 2020 on Skills for Care. This guidance is still live.
16. If staff cannot be furloughed because the criteria for the scheme are not met, then a provider can receive payment to cover the costs of the non-delivered care/support. The payment will be against a benchmark for delivery levels prior to the pandemic (see below). Clear evidence must be provided to demonstrate why staff cannot be furloughed before a payment can be made.
17. Commissioning authorities should note that even where staff can support another service temporarily, or can be furloughed, providers may still incur costs in the event of non-delivery of care and support, including management costs and other overheads. Providers can receive payment to cover these costs where they are required for the ongoing sustainability of the service. Again, clear supporting evidence will be required before a payment can be made (see Section 3 below).
18. Arrangements for financial support for providers for COVID-19 in place prior to these new arrangements should continue until the points 5-17 have been worked through and any changes are agreed, to ensure cash flow. Retrospective reconciliation may need to be considered at a later stage where appropriate and necessary. Commissioners and providers should begin their dialogue on points 5-17 as soon as is practically possible and ensure support remains in place to protect sustainability. Where a provider is concerned they should contact the commissioning authority directly to discuss.

Section 2: Rates of payments for non-delivery of care and support, and payments for additional costs

19. It is recognised that there may be instances where flexibility is necessary due to the individual nature and range of services and supports in place, and some of these examples are detailed in the sections below. Where individual circumstances are not covered (including where a service has newly opened during this period), providers and commissioners should work together to determine the best way to ensure services and supports remain sustainable.

Payments to care homes subject to the National Care Home Contract (NCHC)

20. Where the criteria set out at points 5-17 above are met, care home providers subject to the NCHC can continue to receive a payment for under-occupancy that is a direct result of the COVID-19 pandemic by the Authority in the care homes boundary area.
21. To receive payment, care home providers must demonstrate that:
 - Occupancy levels remain below the average occupancy between January 2020 and 23 March 2020, specifically where:
 - It is clinically unsafe to admit people to the care home in accordance with Public Health Scotland guidance; or

29. As is the case for care homes subject to the NCHC, to receive payment care home providers must demonstrate that:
- Occupancy levels are below the average occupancy between January 2020 and 23 March 2020, and this is specifically where:
 - It is clinically unsafe to admit people to the care home in accordance with Public Health Scotland guidance; or
 - There is another reason that is a direct result of the COVID-19 pandemic for being unable to attract residents which the care home can provide clear evidence for
30. Payments for the under-occupancy must cover the full costs incurred, including full staffing costs (including management) and any other fixed costs. Consistent with the aim of minimising the administrative burden for all parties, a minimum of 80% of the normal rate should be paid to providers and where this does not cover the full costs of the continuing to run the service, the additional costs can be met by supplying this information to the commissioning authority, in line with appropriate supporting evidence.
31. Providers should in the first instance use this payment to meet any other additional costs incurred as a result of the pandemic, such as:
- Ensuring that they continue to pay their staff in line with their expected income in line with the Social Care Staff Support Fund²;
 - Additional staffing costs such as backfill; and
 - Additional infection prevention and control (IPC) and PPE costs.
32. Where a provider is facing further additional costs directly as a result of the pandemic that are not met through these payments, then they should supply information on these to the Local Authority/Integration Authority for reimbursement. Details on the additional costs that can be reimbursed are at **Annex A**.
33. Where a care home does submit additional costs to be reimbursed, the provider must ensure they are only supplying costs that are **additional**, over and above the costs covered by payments made for non-delivered placements and other funding streams such as the UKG Coronavirus Job Retention Scheme. Dialogue between the care home and the commissioning authority may help to define the additionality of costs out with the payment for the non-delivered placement.
34. Care homes that have not had their occupancy impacted by the COVID-19 pandemic will not be able to receive a payment for unfilled care and support placements. However, they can submit other additional costs incurred as a direct result of the pandemic against the categories in **Annex A**.
35. If a care home is experiencing low occupancy or other financial difficulty for reasons not related to the COVID-19 pandemic, the provider should contact the commissioning authority to make them aware, so that they can work together to

² [Coronavirus \(COVID-19\): social care staff support fund guidance - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/coronavirus-social-care-staff-support-fund-guidance/pages/10.aspx)

ensure care and support for residents in the care home and consider any local support for providers in financial difficulty, as would be the case pre-COVID-19.

Payments for other buildings-based services not subject to NCHC (including residential respite and some day services)

36. Scottish Government guidance emphasises that adult day centres can continue to operate at COVID-19 protection levels 0 to 3; and also at protection level 4 where they are providing support that is essential for people's wellbeing.
37. Where a service remains suspended as a direct result of the pandemic, or there is an ongoing impact of the pandemic on the service's ability to deliver care and support, and where the service meets the criteria set out in points 5-17 above, the provider can receive payment to cover the costs of the care and support that cannot be delivered.

The benchmark of average level of service provided between January 2020 and 23 March 2020 will be used to define pre-COVID-19 delivery levels. Payments for non-delivered care and support must cover the full costs incurred, including full staffing costs (including management) and any other fixed costs. Consistent with the aim of minimising the administrative burden for all parties, a minimum of 80% of the normal rate should be paid to providers and where this does not cover the full costs of non-delivery of the care and support, the additional costs can be met by supplying this information to the commissioning authority, in line with appropriate supporting evidence.

38. Where a different model of support is being delivered, for example where services/supports have been flexed or redesigned to respond to circumstances during the pandemic such as an outreach service, then the commissioner and provider should work together to determine the cost of providing the service.
39. Where a provider is facing further additional costs directly as a result of the pandemic that are not met through the payments for care and support placements that cannot be delivered, then they should submit information on these to the Local Authority/Integration Authority for reimbursement. Details on the additional costs that can be reimbursed are at **Annex A**.
40. Where a provider does submit additional costs to be reimbursed, the provider must ensure they are only supplying costs that are **additional**, over and above the costs covered by payments made for non-delivered care and support and other funding streams such as the UKG Coronavirus Job Retention Scheme. Dialogue between the provider and the commissioning authority may help to define the additionality of costs out with the payment for the non-delivered care and support placements.
41. Providers where the delivery of care and support placements is not impacted by the COVID-19 pandemic will not be able to receive a payment for non-delivered care and support. However, they can submit other additional costs incurred as a direct result of the pandemic against the categories in **Annex A**.

Payments for non-buildings based, visiting support (including care at home, housing support where delegated and supported living)

42. Where the criteria set out in points 5-17 above are met, then providers who deliver these kinds of services and supports can receive payment to cover the costs of the care and support that cannot be delivered.
43. The benchmark of average level of service provided between January 2020 and 23 March 2020 will be used to define pre-COVID-19 delivery levels. It is expected that payments for non-delivered care and support will cover the full costs incurred, including full staffing costs (including management) and any other fixed costs. Consistent with the aim of minimising the administrative burden for all parties and in recognition of the difference in operating model from buildings-based services; 90% of the normal rate should be paid to providers and where this does not cover the full costs of non-delivery of the care and support, the additional costs can be met, in line with appropriate supporting evidence.
44. The benchmark has been set at 90% for these types of services as it is recognised that providers may be limited in the costs that will be reduced, even when there is non-delivery of some care and support. For example, a higher proportion of costs is likely to be for staffing elements.
45. Where a provider is facing further additional costs directly as a result of the pandemic that are not met through the payments for care and support that cannot be delivered; then they should submit information on these to the Local Authority/Integration Authority for reimbursement. Details on the additional costs that can be reimbursed are at **Annex A**.
46. Where a provider does submit additional costs to be reimbursed, the provider must ensure they are only supplying costs that are **additional**, over and above the costs covered by payments made for non-delivered care and support and other funding streams such as the UKG Coronavirus Job Retention Scheme. Dialogue between the provider and the commissioning authority may help to define the additionality of costs out with the payment for the non-delivered care and support.
47. Providers where the delivery of care and support is not impacted by the COVID-19 pandemic will not be able to receive a payment for non-delivered care and support. However, they can submit other additional costs incurred as a direct result of the pandemic against the categories in **Annex A**.

Section 3: process for submitting and reimbursing costs

Evidence to support payments

48. Integration Authorities and Local Authorities are required to have sufficient evidence before making payments to meet their statutory duties to ensure public money is accounted for, meet audit requirements and provide assurance to Scottish Government. Officers approving any payment have to be assured that they have met these requirements.

49. Providers will therefore be required, as in the previous arrangements to November 2020, to provide evidence to support costs they are submitting for reimbursement. However, it is recognised that providers and commissioners alike are responding to the ongoing pandemic and that there has been a significant administrative burden to recover additional costs to date. This guidance therefore sets out a light touch approach to evidence to support claims from December, for consistent adoption across the country.

50. Flexibility should be applied wherever possible, for example if a provider provides all of the required information but not on the right form.

51. The type of evidence required to support each type of payment is set out below.

Payment for impact on service delivery

52. Where payments are for non-delivery of services the provider should;

- Complete the relevant form to detail the impact on service delivery – the form will be provided by the commissioning authority
- Sign the declaration form (payments cannot be made until forms are signed)
- Provide evidence to help the establishment of the baseline level of service delivery (for the period January 2020 to 23 March 2020) if required.
- Providers should use this payment to meet all other additional costs such as the expected income for staff who are absent from work (social care staff support fund) or any additional staffing or PPE and IPC costs in the first instance.

Payment for additional costs

53. Where payments are for additional costs the provider should;

- Complete the relevant form to detail the additional costs – the form will be provided by the commissioning authority.
- Sign the declaration form (payments cannot be made until forms are signed)
- Provide relevant extracts from ledger details or management accounts to evidence expenditure
 - Where claims are being made for items of ongoing spend, for example PPE expenditure, individual invoices should not be required (this may still be requested as part of any follow up audit on the claims and use of funds and providers should ensure they keep records for this purpose)
 - Individual invoices may be required for areas of significant new spend such as a new piece of equipment
 - Providers that deliver a service across a range of HSCP areas and incur spend centrally should detail this on the claim form. A high level or proportional estimate will suffice, with evidence provided regarding the allocation approach used.

Providers should use the payment for impact on service delivery to meet additional costs and payments from other funding streams such as furlough in the first instance. These payments should be detailed on the forms provided.

Providers should contact their commissioning authority before they make any significant purchase that they intend to seek reimbursement for, to ensure that the purchase can be reimbursed against the categories in Annex A. Similarly, if a provider is in any doubt as to whether a purchase can be reimbursed against the categories in Annex A, they should contact the commissioning authority to discuss.

Retrospective reconciliation

54. When required, retrospective reconciliation should be undertaken transparently and through discussion with providers. Some contractual arrangements already have a requirement for this to be undertaken annually. Where this approach is necessary;

- An open book approach will be required;
- Ledger details or management accounts should be provided;
- Agreement to be reached locally regarding the mechanism and timescales for reimbursement or overpayment between Authorities and providers.

Timeline for payments

55. To ensure that payments can continue to be reclaimed through the Local Mobilisation Plan mechanism, providers should submit all claims and evidence to the Integration Authority/Local Authority on a monthly basis. However, it is recognised that the social care sector is responding to the ongoing pandemic, and if this is not possible, providers should discuss with their commissioning authority who should provide support and flexibility.

Responsibilities of providers and commissioners

56. Providers must complete a supplier relief form and declaration to confirm they will;

- Use any national relief such as furlough or business grants they are eligible for in the first instance and ensure that payments are not received that duplicate support.³
- Consider where changes can be made to the business model to ensure support can continue to be provided.
- Continue to employ and pay staff including for sickness or absence due to COVID-19 in line with their expected income (including paying staff who would otherwise receive Statutory Sick Pay or another amount less than their

³ <https://findbusinesssupport.gov.scot/coronavirus-advice/sources-of-funding>

Annex A

Additional costs that may be incurred by social care providers as a direct result of the COVID-19 pandemic due (where these costs have not already been covered by other funding sources, or payments for care and support that cannot be delivered as a direct result of the COVID-19 pandemic)

Scottish Government has committed to provide funding to meet reasonable additional costs incurred as a result of the pandemic.

Parameters

1. Costs must be additional to:
 - Spend on any of the items prior to the pandemic that will be covered in normal contractual arrangements (only additional costs incurred as a direct result of the COVID-19 pandemic can be reimbursed), and
 - Costs covered by any payments for care and support that cannot be delivered as a direct result of the COVID-19 pandemic.
2. Providers should exclude the costs that fall under the bullet points above (paragraph 1, Annex A) when they submit their additional costs to the Local Authority/Integration Authority.
3. Costs that can be claimed from other funding sources cannot be submitted for payment. Other funding sources include, for example, the UKG Coronavirus Job Retention Scheme (furlough scheme). Again, providers should exclude these costs when they submit their additional costs to the Local Authority/Integration Authority.
4. Care should be taken to ensure individual costs are submitted against only one of the categories listed below, to prevent double counting.

Staffing

- Paying staff who would otherwise receive Statutory Sick Pay or another amount less than their 'expected income' when ill or self-isolating due to COVID-19 (i.e. Social Care Staff Support Fund).
- Backfilling posts when staff are absent, e.g. for sickness or self-isolation reasons (this is for costs that are not captured in the Social Care Staff Support Fund as per above).
- Additional staff as a result of COVID-19 response/to meet national public health guidance, including:
 - Additional staff to ensure minimising staff movement, as outlined in the Adult Social Care Winter Preparedness Plan.
 - Additional staff to support care homes with administration tasks associated with responding to the pandemic and outbreak management.
 - Additional staff to support care homes with facilitating safe visiting during the pandemic.

- Increased overtime or staffing for COVID-19 testing, for example staff time to carry out testing in care homes.
- Additional spend on staff overtime and enhancements as a result of COVID-19 response.
- Additional staff transport costs (not covering travel to and from work).
- Additional staff training costs (training must be non-funded training activity resulting from the pandemic to meet demand/new models of support, and exclude any cost-free training, e.g. online training commissioned by Scottish Government such as NHS Education Scotland webinars on IPC).

IPC and other COVID-19 delivery costs

- Deep cleans / increased cleaning and sanitisation requirements, including additional laundry costs.
- Additional spend on PPE to meet Public Health Scotland guidance (excluding any PPE accessed from the PPE Hubs or PPE Support Centre).
- Additional uniforms/scrubs if necessary for IPC reasons.
- Non staffing-related COVID-19 testing costs, for example costs associated with creating space to carry out testing safely and effectively, e.g. reuse of space, or additional cleaning or additional IPC measures necessary for testing, in line with Public Health guidance:
 - Costs associated with the private purchase of COVID-19 test kits will not be able to be reimbursed. Test kits will be provided at no cost to providers under existing arrangements for staff testing and under the testing expansion arrangements announced by the Cabinet Secretary on the 25 November 2020.
- Additional (non-staffing related) IPC costs required to facilitate safe visiting in line with Public Health guidance, including screens or equipment to enable outdoor visiting (assuming that claims meet State Aid rules) or provide space for visiting purposes.
- Additional digital, IT and telephony costs (the majority of costs of mobilising staff to work from home should already have been claimed in the period to December, so this would most likely be in relation to on-boarding new staff; excluding any staffing costs and any licenses provided by Scottish Government including NHS Scotland).
- iPads for care homes in line with commitments in the Adult Social Care Winter Preparedness Plan should **not** be reclaimed through this process
- Additional logistics (e.g. transport of additional PPE from registered site to service locations).

Please note this list is not exhaustive as providers and commissioners will need to respond to changing circumstances and new and changing guidance. However, before providers purchase or arrange for any items not itemised in this Annex, they should discuss with the commissioning Authority.

The intention is to provide a 'Frequently Asked Questions' document in due course to accompany this guidance and Annex, and this would be updated on a regular basis with common queries.