



Adult Social Care Scrutiny Commission Report

Cost of Living Impacts for Adult Social Care

Lead Member: Cllr Sarah Russell

Lead Strategic Director: Martin Samuels

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Wards Affected: All

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1. Purpose

- 1.1 To provide the Adult Social Care Scrutiny Commission with an overview of the rising cost of living impacts on Adult Social Care and the responses supporting this.

2. Summary

- 2.1 The current cost of living crisis is impacting on all parts of our society. In response to the crisis, the Council has taken the decision to treat this as a major incident and stepped up the Incident Management Team (IMT), ensuring that we are aware of the potential impacts and providing a structured and coordinated response.
- 2.2 The City Council webpages provide information, advice, and guidance for residents, capturing the coordinated responses from IMT.
- 2.3 This report summarises the issues that are pertinent to Adult Social Care, both for people working in the sector and importantly, for people in receipt of support.

3. Recommendations

- 3.1 The Adult Social Care Scrutiny Commission is recommended to:
 - a) Note the report and to provide comment/feedback.

4. Report

The Issues

- 4.1 The current cost of living crisis is having a significant impact on all parts of our society. As a department, Adult Social Care is acutely aware of the disproportionate impact faced by those people working in the system, who are generally on lower incomes; by Care Providers in meeting the rising costs of delivering safe and sustainable services; and most importantly, by those people receiving care and support who already face many challenges.
- 4.2 The Adult Social Care workforce is generally lower paid than other sectors, including its counterpart in the health care system. As a workforce already on low income, the rising cost of living will have an impact on the caring community. Rising living costs have a particular impact on the individual health, wellbeing and performance of care staff (especially residential and domiciliary care). Staff retention is affected, and some staff simply may struggle to afford to carry out their role due to increased fuel costs.
- 4.3 For care providers, increased costs of energy, food and inflation mean that their ability to remain financially sustainable is a very real challenge. This, coupled with the workforce issues and retention of staff, creates a difficult operating environment, which is of significant concern as we head into the winter period.
- 4.4 For people who rely on the care and support of social care, the rising costs of living further add to their daily challenges. People are concerned that they will struggle to keep warm, as they may not be able to afford energy bills. People's mental health is impacted, with shame over requiring financial or food assistance, as well as financial pressures making every day social activities unviable, increasing the risk of loneliness and isolation. Anxiety about money is linked to anxiety and depression more generally. In addition, for people living in their own homes, who rely on specialist equipment to support their needs, will face higher energy costs than others, with little choice or control. As people get into debt, their financial pressures may affect decisions about eating and heating, further impacting on people's health and wellbeing. We also know that cold homes heighten the risk of mould and damp, along with associated longer term health problems such as respiratory conditions. Cold homes are a contributory factor to falls and poor mental health. With Social Care being a chargeable provision, people may struggle to keep up their payments and face further growing debts. When a person is in receipt of a direct payment the charges that they contribute are passed on to the care provider via a Direct Payment service, so the impact of non-payments will be felt by care providers, which could include Personal Assistants.

The Response

- 4.5 Recognising that the caring workforce will be significantly impacted by rising costs of living, the Council is making sure that providers are signposting their staff to all the benefits outlined through the Council's webpages. This includes information about warm spaces, access to benefits support and details of available foodbanks across the city.
- 4.6 In addition, the Council is in discussions with partners in health, who have developed a package of support for hospital staff, to consider if those opportunities could be more widely accessible to care staff.
- 4.7 Last year, the Council ran a worker's rewards scheme, where carers were given a £500 bonus to support the retention of the workforce across the challenging winter period. This was to ensure that the safe provision of services to people was not impacted by staff shortages. The scheme, which was funded through NHS monies and central government grants, was successful in retaining staff, improving morale, ensuring services did not fail and supporting flow out of the hospital into the community. Given the success of this scheme, plans are being developed to use the recently announced £500m Discharge Fund Scheme to deliver a similar reward scheme, in recognition of the impact of the costs of living and the likelihood of increased staff turnover. This will be subject to agreement between the Local Authority and Integrated Care Board.
- 4.8 So far, support for care providers has included providing them with resources about financial wellbeing and managing rising energy costs, including information on possible options to join an energy brokerage scheme providing potentially cheaper options for energy supplies.
- 4.9 In addition, the Council is making use of the Reform Grant monies, to support a hardship fund for providers who are particularly impacted by the growing costs. This fund is open to care providers via the completion of a bid form, to demonstrate the impact of exceptional costs on their ability to deliver contracted support and it will remain open until 9th December 2022.
- 4.10 For people facing difficult choices about eating or heating, we are making sure that all those in receipt of care are directed to the support offers on the Council's webpages, where information regarding the availability of foodbanks, warm spaces, drop in advice / activities and available benefits are easily accessible. Recognising the needs of those people with learning disabilities and mental health issues, the Council is making available the information in easy read format, to ensure no one is disadvantaged in accessing this. The Council is also working with CAB to offer support to those who need help in form filling in relation to benefits. In addition, the

Council has created a simple guide for people on cost effective tips for keeping warm over the winter; again, this is available in easy read format.

4.11 Recognising the additional challenges that people in support of social care will face through the cost of living crisis, the Council has also provided further targeted support to individuals in receipt of social care from the Discretionary funds for the energy rebate scheme. We have worked with corporate colleagues to identify and prioritise those with the greatest levels of need or frailty.

4.12 For those people facing increased energy costs associated with the use of equipment to support their needs, we are working with equipment suppliers to create a clear picture of running costs. This will enable accurate, informed conversations with people who may be worried about costs and allow for individuals to have their disability related expenditure reviewed. Through the targeted use of the discretionary element of the energy rebate, some of these people will have already received additional financial support.

4.13 The Council's policy in relation to debt management, where people may fall behind in relation to contributions towards the cost of care, has already been considered. It is confirmed that the assessment of an individual's ability to make debt repayments takes account of increases in inflation (driven by energy and feed bills) and therefore protects a rising level of income in that assessment process.

4.14 Where the non-payment affects care providers, the support that is being offered to the market via the Hardship Fund will apply.

Summary

4.15 The Coordinated response for the cost of living crisis provides access to a range of support to Leicester's residents, all of which can be accessed by people working in and being supported by Adult Social Care. To ensure that those people who are disproportionality disadvantaged due to disability and low income can access the information and associated support, targeted work has and continues to be taken as outlined in this report. This sits alongside several corporate initiatives, to provide financial assistance where needed and where grants are available to support us to do so.

5.1 Finance

5.1.1 The additional financial support mentioned in the report including the discharge fund and the care reform funds is not mainstream funding but ad hoc grants. A similar discharge fund for 2023/24 was announced as part of

the autumn statement but it is not clear to what extent the reform funding will continue now that the cap on care costs has been delayed until 2025.

5.1.2 Unless there is a period of dis-inflation, which is highly unlikely, the current high prices are with us on a permanent basis, even if inflation slows. We will therefore need to continue using what grant funding is available in the manner described above, until such time as longer term funding is put in place.

Martin Judson, Head of Finance

Martin Judson, Head of Finance

5.2 Legal Implications

There are no legal implications arising directly from the report as it is just for noting.

Kevin Carter
Head of Law (Commercial, Property & Planning)

5.3 equalities

When making decisions, the Council must comply with the Public Sector Equality Duty (PSED) (Equality Act 2010) by paying due regard, when carrying out their functions, to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.

In doing so, the council must consider the possible impact on those who are likely to be affected by the recommendation and their protected characteristics.

Protected groups under the Equality Act 2010 are age, disability, gender re-assignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex and sexual orientation.

The response to the cost-of-living crisis provides access to a range of support to Leicester's residents, all of which can be accessed by people working in and being supported by Adult Social Care, who will be from across a range of protected characteristics. The response provided is being targeted at those groups who are disproportionately affected, and information is being provided in accessible formats. Need to ensure equality considerations continue to be embedded in our response to the cost-of-living crisis and any negative impacts addressed as appropriate.

Sukhi Biring, Equalities Officer, 454 4175

5.4 Climate Change

There are no significant climate emergency implications directly associated with this report, as it is for information.

Aidan Davis, Sustainability Officer, Ext 37 2284

5.5 Other

None

6. Appendices

None

7. Background Papers

None

8. Is this a Key Decision - No