

Cabinet – 7th September 2022

Social Care Reforms

Portfolio: Councillor Pedley

Related portfolios:

Service: Adult Social Care

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

To update and seek approval for the strategic direction, implications and resource requirements of Adult Social Care reforms across 3 key themes as detailed in the 'People at the Heart of Care: adult social care reform' white paper 2022;

- Charging reforms
- Assurance Framework and
- Sustainable Care Market

2. Summary

2.1 The Government has articulated its desired Social Care reforms in the 'People at the Heart of Care: adult social care reform' white paper, which sets out a 10-year vision for a more sustainable, affordable care system that effectively works with other public services, with three person centred objectives.

2.2 There are three key areas of work associated with the reforms relating to;

- Charging reform
- An Assurance Framework for Councils' and
- The need for Sustainable Care Markets

2.3 The Council has commenced these programmes of work as detailed in this report.

3. Recommendations

3.1. That Cabinet considers the strategic direction and implications for the Council resulting from implementation of the White Paper.

4. Report detail - know

'People at the Heart of Care: adult social care reform' white paper

- 4.1. The 'People at the Heart of Care: adult social care reform' white paper sets out a 10-year Vision for a more sustainable, affordable care system that effectively works with other public services, with three person centred objectives:
 - People have choice, control, and support to live independent lives.
 - People can access outstanding quality and tailored care & support
 - People find adult social care fair and accessible
- 4.2. Person-centred care is a key theme running through this vision. Genuine choice and control about personalised care and support can enhance quality of life and promote independence in a way that matters to individuals.
- 4.3. We know that there are already strong examples of the Council's vision in action, where people can choose the type of care and support that really works for them, happening in pockets across the borough. Therefore, an important part of what we want to do is make this happen more consistently, so that everyone, no matter where they live, can benefit.
- 4.4. We are not starting from scratch and have a strong baseline to;
 - Build on the Care Act 2014 (focus on wellbeing) to ensure fully personalised, user-led social care is embedded for everyone
 - Reform the adult social care charging system to make the system fairer for everyone and paying providers a fair rate for care
 - Acknowledge the important role of carers, while also enabling those who provide unpaid care to be supported to achieve their own life goals
 - Recognise adult social care workforce, with opportunities to develop their careers, supporting them to deliver outstanding quality of care
 - Embrace the Assurance Framework for adult social care and the duty for CQC to review and assess local authority performance
 - Empower people who use care, unpaid carers and families
 - Implement commitments in the Health & Social Care Data Strategy "Data Saves Lives" including new national data frameworks, gathering provider data regularly and sharing of data across health and care
 - Develop a local supported employment scheme to identify effective ways the Council can support autistic people and people with learning difficulties into employment
 - Support sustainable care markets and tackle variability in market shaping and commissioning
 - Integrate housing into local health and care strategies and expand the choice of housing options
 - Embed greater adoption of technology and widespread digitisation.
- 4.5. Further detail regarding the work involved in taking forward the implications of the White paper are provided in the following sections for the key themes;
 - Charging reform
 - Assurance Framework and

- Sustainable Care Market

Charging reform

- 4.6. The Adult Social Care Charging Reforms Transformation Programme (work stream 5) is split into 3 distinct Elements.

Adult Social Care Income Management

- 4.7. There is a plan to improve income management, meaning the Council proactively supports its citizens in receipt of social care, from falling into debt linked to the non-payment of care cost contributions. The immediate focus in relation to this area is reducing current levels of debt. A task and finish group will be established to review Adult Social Care Debt (£6.5 million as at May 2022). The task and finish group will introduce clear and auditable processes on how decisions have been derived to pursue outstanding debt or write-off unrecoverable debt. It is anticipated that the task and finish group will reduce the current levels of debt in dispute, credits and write offs. This activity will be undertaken in conjunction with support from Corporate Finance and colleagues in Legal Services.

- 4.8. Outputs identified as the deliverables of the task and finish group are shown below:

- a. To reduce the levels of outstanding debt to an appropriate level for the organisation
- b. To ensure that all outstanding debt is valid for collection
- c. All service areas clearly understand their roles and responsibilities within the process
- d. Management information is provided/available for service areas to understand their outstanding debt and make appropriate decisions in relation to this debt
- e. A clear and auditable process of how decisions have been derived to pursue outstanding debt or write-off unrecoverable debt
- f. Reduce the current levels of debt in dispute, credits and write offs
- g. Lessons learnt are captured for learning and to support informing a permanent solution

- 4.9. Interim investment will be required for Debt Review Officers who will work with Legal services to expedite and conclude this activity.

- 4.10. This work will include a review of the existing Debt Management policy, processes, procedures, roles, responsibilities and accountabilities; with a strong emphasis on income management from the outset, through robust and rigorous ways of working, thus averting debt accumulation and proactive low level debt management.

Adult Social Care Financial Assessment and Charging

- 4.11. This project seeks to develop a new ASC Charging Policy which addresses the Adult Social Care Charging Reforms and the Fairer Charging guidance which recommends a re-alignment of disposable income before charges are made. The project will implement streamlined processes and technical solutions across ASC charging in a joined-up way. A communication plan is currently being prepared to inform, support, and advise residents of how ASC Charging reforms will impact residents.

- 4.12. The digitalisation of the financial assessment process with the introduction of the 'Better Care Finance' module; a web platform, will support and guide residents and families through the financial assessments process for care. It will allow users to remotely complete their own assessments, while ensuring transparency, clarity, and simplicity throughout. The technology will help and support the re-alignment of resources to the most vulnerable and complex cases, ensuring they get the attention and assistance they need.

Readiness for social care financial reforms

- 4.13. This strand of activity focuses on modelling and monetary impact analysis of implementing the financial reforms and readiness to mobilise and initially will run parallel to the other two streams of activity before being integrated into one project. Specific areas of focus are:

Part A: Financial modelling of the Care Reforms associated with costs resulting from:

- 1) The change in the Charging Thresholds from October 2023 meaning that anyone self-funding their Care with less than £100,000 (previously £23,250) may be entitled to support from the Local Authority, subject to them being eligible under the Care Act 2014.
- 2) People having spent more than the lifetime Cap on Care costs of £86k, either via a financially assessed contribution if they are already receiving support or a payment to a Care Provider if they are a self-funder.
- 3) Self-Funders previously unknown to the Local Authority who may request a Care Account and be eligible for Local Authority support.

The aim of the financial modelling will be to produce robust estimates and predictions which will help measure the budgetary impact for Walsall.

Part B: Working with CC2I Ltd to design a digital minimal viable product (MVP) to generate a self-funder's indicative personal budget (IPB) and Digital Care Cap Account.

- 1) This project will bring together five local authorities to explore and co-design an extension to the Better Care Support platform, to enable self-funders to take the output of their self-assessment and, with minimal manual input, generate their indicative personal budget (IPB). This digital approach will enable councils to address the surge in self funders who will need an IPB, as well to log and evidence their spend towards the £86,000 care cap. This programme of work will be completed in February 2023, six months before the reforms go live.

Part C: Specifically, on technology, the reforms require local authorities to maintain individual care accounts by October 2023, allowing local authorities to monitor a person's progress towards the cap. We are ensuring 'system readiness' for the Care reforms by working collaboratively with Warwickshire and Coventry and the Access Group which is the supplier of Walsall's client information system Mosaic. We are taking direct learning from Blackpool which is one of 5 Government trailblazer sites and a Mosaic user. The five Trailblazer sites including Blackpool which will go live with the reforms in January 2023 will co-produce documentation to educate and inform other local authorities with a series

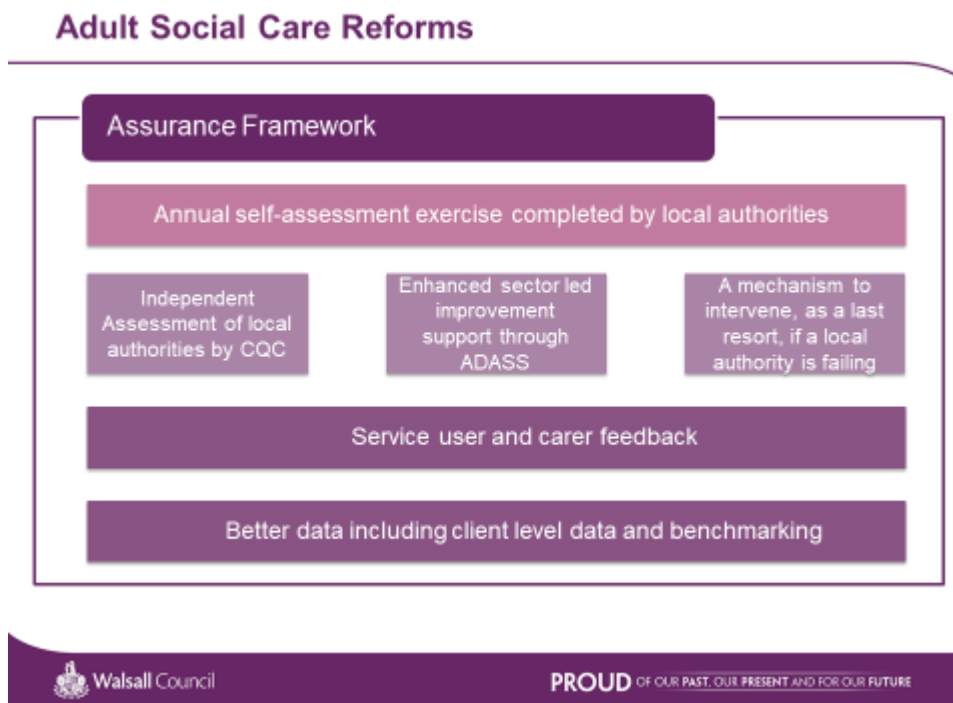
of events to be planned before the full rollout.

The Government has recently issued the technical specification for Care account functionality to software suppliers including Walsall's supplier Access. The specification defines the functionality requirements to be developed in Walsall's case management system Mosaic.

Assurance framework

4.14. The white paper will see the introduction of a duty for the Care Quality Commission (CQC) to independently review and assess local authority performance in delivering their adult social care duties under Part 1 of the Care Act 2014. It will put in place new legal powers for the Secretary of State for Health and Social Care to intervene in local authorities to secure improvement where there are significant failings in the discharge of their adult social care functions under Part 1 of the Care Act 2014.

4.15. Adult Social Care reforms – Assurance Framework



4.16. Emerging themes from the CQC methodology suggest there will be a focus on;

- **Work with people** - assessing needs (including unpaid carers), supporting people to live healthier lives, prevention, well-being, information and advice
- **Provide support** - markets (including commissioning), workforce equality, integration and partnership working
- **Ensure safety** - safeguarding, safe systems and continuity of care
- **Leadership and workforce** - capable and compassionate leaders, learning, improvement, innovation

4.17. Following National consultation on the proposed assurance framework further guidance is expected and confirmation of the methodology to be used by CQC over the coming months.

4.18. In the meantime, the Council is progressing with preparations which include:

- 1) **Regional PSW practice review** - work is underway at a Regional level and an approach has been agreed at WM-ADASS branch – Peer review teams will visit all 14 LAs over next 6-9 months.
- 2) **Wider assurance self-assessment tool** – we will use the self-assessment tool developed by Worcestershire. Resources are being identified to support this process.
- 3) **Use of existing performance intelligence and data** – we will use current intelligence from service reviews, audits, performance data etc. to inform our understanding of our strengths and areas for development against the key lines of enquiry that CQC will use during their review.
- 4) **Preparation for partners** – we know the review will be interested in how we work across all partnerships so we will need to invest time in briefing and preparing partners on how they can contribute to the review.
- 5) **Building on the work across Transformation programmes** to improve key areas where we already know we require further development, these include:
- 6) **Improving access and information** - Nomensa – developing new web
- 7) **Publishing our ‘Local Account’** summarising key outcomes over the last year and priorities for the coming year
- 8) **Customer Access Management (CAM)** - a range of developments and initiatives to enable appropriate customer access utilising technology wherever appropriate
- 9) **Developing self-serve offer** – enabling people to self-access and self-serve where possible
- 10) **Improving financial systems and processes** - optimising efficiencies, reducing billing errors and minimising debt.
- 11) **Embedding our approach to Strengths based practice** - Social care staff have already adopted this change in practice and training and new processes have been developed to support this approach

Sustainable Care Market

4.19. All Local Authorities are required to:

- Support sustainable care markets by paying providers a fair rate for care and strengthen local market-shaping and commissioning capabilities.
- Ensure that self-funders can access the same rates for care costs in care homes that local authorities pay including asking the local authority to arrange care in a care home.
- Develop a more joined-up approach to market shaping where commissioners from health and care work together to shape the local care market with a focus on partnership working with people with lived experience, unpaid carers and communities.

Market sustainability and Fair cost of Care

4.20. All Local Authorities are to “move towards” paying providers a fair cost of care over the 3 years 2022-25 and; “to start making genuine progress towards more sustainable fee rates, where they are not already doing so” in 2022/23 to support the preparations for the move towards paying providers a fair cost of care.

4.21. As part of that process Local Authorities will be required to undertake the following activities:

- Conduct a fair cost of care exercise utilising two nationally prescribed costing tools for Nursing & Residential Care (age 65+), and the Domiciliary Care Market (age 18+) to determine the sustainable rates and identify how close they are to it.
- Using funding to genuinely increase fee rates, as appropriate to local circumstances.
- Engage with local providers to improve data on operational costs and number of self-funders to better understand the impact of reform on the local market.
- Submit a Fair Cost of Care Report to DHSC by 14 October 2022, explaining how the cost of care exercise was undertaken, how providers were engaged, how the resulting cost of care for the local area has been determined, the approach taken for return on capital and return on operations, and also including a summary of how the 2022/23 allocation has been utilised.
- Strengthening capacity to plan for, and execute, greater market oversight and improved market management to ensure markets are well positioned to deliver on our reform ambitions.
- Submit a Provisional Market Sustainability Plan to DHSC by 14 October 2022 summarising the following:
 - assessment of current market sustainability, including impact of current rates on the market and potential future risks, with consideration Domiciliary Care
 - quantification of the expected impact of market changes over next 3 years
 - plans for each sector to address sustainability issues between 2022-25
- Submit a Provisional Market Sustainability Plan to DHSC by 14 October 2022 summarising the following:

4.22. In order to ensure a comprehensive market assessment for Walsall Council, a local Fair Cost of Care exercise will be undertaken for the Supported Living and Day Opportunities market to inform the budget setting process for 2023/24 onwards.

4.23. The DHSC has specified its understanding of Fair Cost of Care and Market Sustainability as follows:

- The fair cost of care means the median actual operating costs for providing care in the local area (following completion of a cost of care exercise) for a series of care categories. This must include and evidence values for; return on capital, return on operations, and travel time for domiciliary care. This is, on average, what local authorities are required to move towards paying providers.
- In the context of specific rates for care paid, fair means what is sustainable for the local market. For providers, this means they will be able to cover the cost of care delivery and be able to make a reasonable profit (including re-investment in their business), surplus or meet their charitable objectives. For local authorities, it recognises the responsibility they have in stewarding public money, including securing best value for the taxpayer.

Fair Cost of Care Exercise (FCoC) Progress

4.24. The 2022/23 Fair Cost of Care Allocation for Walsall totalled £966,000. This sum was used in full to uplift home care service by a further 2.3% on top of the previously agreed 1.5% uplift for the year. Recipients of this additional uplift include domiciliary care and supported living service providers as well as Personal

Assistants employed by Direct Payment recipients.

- 4.25. As part of the broader provider engagement for the reform agenda, a monthly provider forum covering all care providers within Walsall has been established to promote the activities of the reform work programmes.
- 4.26. The process of engagement, data collection and analysis by means of which local authorities and care providers can arrive at a shared understanding of the local costs of providing care and developing a market strategy was formally shared with providers on 9 June 2022, following the national launch and awareness raising.
- 4.27. Providers were invited to complete their respective market sector costing tool and submit for review to the Council by 8 July 2022. A total of 32 submissions were received split equally between Residential and Nursing and Domiciliary Care providers. A Project Team involving commissioning and finance colleagues is currently in the process of resolving queries relating to those submissions, before a full analysis is undertaken and preliminary conclusions drawn regarding the average (Fair Cost of Care) rates suggested from the submissions as well as the potential financial impact on the Council.
- 4.28. A local Provider Peer Review Group representing key market sectors and lead commissioners has also been established to undertake offer a critical appraisal of the work undertaken by the Council, and assist in reaching a consensus view within and between market sectors on the outputs and recommendations driven by the national (R&N and Dom Care) and local (supported living and day opportunities) projects. The Group is scheduled to meet on 11 August and present its preliminary conclusion to the provider forum scheduled for 18 August.
- 4.29. Additional cross reference is being made to the West Midlands ADASS working groups which are providing local guidance and benchmarking opportunities across local authorities. Local Authorities have been asked to submit their latest analysis by 5 August for a regional meeting to discussion initial findings on 11 August 2022.
- 4.30. Further review and assessment will continue during August, ensuring provider ownership of the findings; whereupon work will commence on the compilation and production of the following for submission to DHSC by 14 October 2022:
 - A Cost of Care Exercise Report
 - A 'Provisional' Market Sustainability Plan
 - A Spend Report detailing on how the funding allocated for 22/23 is being spent
- 4.31. This exercise will inform national allocations for 2023/24 onwards, and also, in conjunction with the exercises to be undertake for supported living and day opportunities, inform the Council's budget setting process for 2023/24.
- 4.32. A final Market Sustainability Plan is to be submitted in February 2023.

Market Sustainability Plan

4.33. The DHSC have specified their expectations in delivering delivery a ‘sustainable’ care market upon which the local Market Sustainability Plans should be developed as follows:

- Fee rates which reflect a Fair Cost of Care
- A sufficient supply of services to ensure continuity of care with minimal disruption in the event of providers exiting from the market
- There being a range of high-quality services for people to choose from
- Sufficient investment in its workforce to enable the attraction and retention of high-quality care staff
- Evidence of innovation and service diversity in order to evolve and meet changing user needs
- Being attractive to new market entrants and able to manage and offset the impact of future market changes

Council Corporate Plan priorities

4.34. By embedding the changes from Social Care reform the Key areas of focus for People in our Walsall Plan for ‘People’ - Encourage our residents to be active fulfilling lives and independent lives to maintain or improve their health and wellbeing. People have increased independence, improved health and can positively contribute to their communities;

Outcomes	Markers of Success
3. People can access support in their community to keep safe and well and remain independent at home	5. People are supported to build on their strengths and those in their communities to maintain and/or maximise their independence 6. People feel safe in their home and community
4. People are supported to maintain or improve their health, wellbeing and quality of life	7. People know how to maintain or improve their health and wellbeing and get timely support for this, where required 8. People can access timely social care support and reablement to prevent a hospital admission or facilitate a timely discharge

4.35. All the above Key areas of focus for People are supported by this approach in these extraordinary circumstances.

Risk management

4.36. The size and scope of the Adult Social Care reforms are significant and will present many risks in terms of workload management as well as risks associated with the implementation of the changes for staff, the Council and citizens. A comprehensive risk register and reporting structure will be establish as part of the programme of work.

Financial implications

- 4.37. There will be financial implications for both Council, citizens and providers as the changes are implemented. These will be communicated and managed as part of the overall management of the programme of work.

Legal implications

- 4.38. Adult Social Care will liaise with Legal Services to ensure that the practical consequences of any changes in the law (whether through primary or secondary legislation, or via any related statutory guidance) are identified and actioned in order to ensure that the working practices of Adult Social Care and its contractors remain lawful, compliant and embrace best practice, whether in terms of commissioning and delivering care, or in terms of assessing the liability of services users to pay towards the cost of their care, or otherwise.

Procurement Implications/Social Value

- 4.39. All procurement activity as a result of Social Care Reforms will be conducted in accordance with the Public Contracts Regulations 2015 (as amended), the Council's Contract Rules and the Social Value Policy. Procurement and Legal Services will coordinate to ensure that there is consistency of advice and approach

Property implications

- 4.40. There are no property implications arising from this report

Health and wellbeing implications

- 4.41. Implications relating to the health and wellbeing of residents will be taken into account and assessed as the various work streams detailed above are further developed.

Staffing implications

- 4.42. There will be staff implications across the Adult Social Care markets as well as within the Council resulting from the work streams detailed above. These will be identified and assessed as the various work streams are further developed.

Reducing Inequalities

- 4.43. The implications for reducing inequalities will be taken into account and assessed as the various work streams detailed above are further developed as part of a comprehensive Equality and Impact Assessment.

Climate Change

- 4.44. This is not applicable to this service

Consultation

- 4.45. The need for broad stakeholder engagement and consultation will be taken into account and assessed as the various work streams detailed above are further

developed.

5. Decide

There is no requirement for any decisions from Cabinet at this stage.

6. Respond

Owing to the far reaching nature of the Social Care reforms, it is considered critical that cabinet are well sighted and versed on the changes, and that they are fully aware of the implications for the Council as the work is progressed.

7. Review

Owing to the size and nature of work and changes involved as part of the Social Care reforms, there will be further updates at critical junctures as the work streams progress.

Background papers

None

Author

Tony Meadows
Interim Director Commissioning, Procurement and Hub

✉ tony.meadows@walsall.gov.uk



Kerrie Allward
Executive Director

26 August 2022



Councillor Pedley
Portfolio Holder

26 August 2022