

# The Reform of Adult Social Care

This presentation provides CLT with an overview of the key reforms to adult social care (ASC), update of the work currently underway in ASC to prepare for the implementation of the reforms from 2023

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## **Presenting:**

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# Background

- The Health and Care Act 2022 received Royal Assent in April 2022 and heralds a series of significant reforms to the delivery of health and ASC services in England.
- These reforms represent the most significant changes to ASC to be undertaken in more than a generation.
- Implementation for CQC Assurance is planned for April 2023
- Implementation of Charging reform is planned from October 2023



# Integrated Care Systems

The Health and Social Care Act 2022 (The Act) seeks to bring in a series of significant reforms to the delivery of Health and Social Care Services in England.

It formalises integrated care systems (ICSs) so that the providers and commissioners of health and care services work together in meeting the needs of the populations.

Integrated care partnerships (ICPs) bring together the NHS, local authorities and other key partners in addressing the broader health, public health and adult social care needs of the local population

Integrated care boards (ICBs) are tasked with the commissioning and oversight and account to NHS England



# New duties awarded to the Care Quality Commission (CQC) in assuring councils' ASC functions and Integrated care Systems

From April 2023, CQC will start to assure how well we are meeting Care Act 2014 duties and responsibilities and rate us accordingly. Those councils judged as failing to meet their statutory duties will subsequently be subject either supported or statutory intervention.

CQC has confirmed that its focus of local authority assessments will be across four themes:

- Working with people (i.e., assessing needs; supporting people to live healthier lives and thereby diverting/reducing/removing the need for care and support).
  - Providing support (i.e., care provision, integration, and continuity; partnership working and engaging with local communities and people with lived experience).
  - Ensuing safety (i.e., safe systems, pathways, and transitions; and safeguarding).
- And
- Leadership and workforce (i.e., governance, management, and sustainability; and learning, improvement and innovation).

# CQC - Councils

CQC has recently announced the six categories of evidence it will use in its assurance of a council's ASC functions and ICSs:

- People's experiences;
- Feedback from partners;
- Feedback from staff and leaders;
- Observation (both off and on site);
- Processes;
- Outcomes and performance

No baseline of evidence exists in assessing the quality of either a council's delivery of its adult social care functions nor the performance of an ICS. Consequently, CQC has confirmed that it will be seeking to establish this baseline during the first two years of its new duties commencing in 2023.

They have confirmed that all ASC assurance and ICS detailed inspections will be announced:

# CQC - ICS

Equally from April 2023, CQC will commence assurance of the 42 ICSs covering England and this overlaps with, and has additional significant implications for, councils. CQC's ICS assurance focus will be:

- Leadership (i.e., shared direction and culture; capable, compassionate, and inclusive leaders; governance and assurance; partnerships and communities; learning, improvement, and innovation; environmental sustainability; and workforce equality, diversity and inclusion).
- Integration (i.e., safe systems, pathways, and transitions; care provision, integration, and continuity; and how staff, teams and services work together); and
- Quality and safety (i.e., learning culture; supporting people to live healthier lives; safe and effective staffing; safeguarding; equity in access; and equity in experience and outcomes).

# Fair Cost of Care and Care Market Sustainability

To satisfy the funding requirements of the Market Sustainability and Fair Cost of Care Fund we must submit a fair cost of care exercise, provisional market sustainability plan, and a spend report to the DHSC by 14<sup>th</sup> October 2022

The Provisional Market Sustainability Plan must:

- Show how long it will take to move towards a sustainable fee rate
- Consider impact and other pressures
- Contain an assessment of current sustainability in both the 65+ Care home market and 18+ domiciliary market.
- Contain an assessment of the impact of future market changes over the next 1-3 years

**If DHSC is not satisfied by the quality of the work undertaken by a local authority in establishing its Fair Cost of Care or its Provisional Market Sustainability plan, then it can withhold funding in 2023/4.**



**North  
Northamptonshire  
Council**

# Introduction of the Care Cap

- No one will have to pay more than £86k in care costs over their lifetime.
- This is limited to eligible care needs – i.e., personal care needs - and excludes “hotel costs” (which the government has set at a level of £200 per week at 21/22 prices).
- The cap will not apply retrospectively.
- Any money paid by a local authority towards meeting a person’s eligible care needs will not count towards someone’s care cap.
- Anyone with less than £20k assets will not have to pay anything towards their care from their assets.
- If someone has between £20-100K in assets, they are eligible for some means tested financial support from their council – This means more people will be eligible for state funded care than currently.
- People will have the right to a Care Act assessment – including people currently funding their own care.
- Self-funders will have the right to ask councils to secure care home placements for them at the council’s fee level.
- Everyone who has approached the council for an assessment and who are found to have eligible care needs will have a Personal Care Account operated by the council



# Implications

Councils will have to make significant changes to existing financial means testing procedures in order to adhere to these new rules.

This includes undertaking new means tests for:

- Some people already drawing on care and support that is commissioned by the council and who currently contribute towards the costs of their care.
- New people entering the means testing system because they want their care contributions “metered” to the £86k care cap.

Our analysis predicts 687 people over 65 who are in care homes directly commissioned by NNC but already contribute to their care contribute less than the £200 per week established for daily living costs in the new regulations. This means that their contributions **will not** count towards their metering of the Care Cap.

A further 1815 people in Domiciliary Care or Residential/nursing Care will require new means testing and the creation of a personal care account.

# Implications Continued

Newton Europe predict NNC will need to undertake an additional 200 care act assessments, and 160 Financial Assessments, per year.

This will require an additional:

- 7 Social workers
- 1 Financial Assessment Officer

NNC have queried these figures as being too low. The prediction underestimates the volume of work that will be required in implementing the new means testing rules and accompanying creation of Personal Care Accounts.

**At the very least, therefore, Newton's analysis means that, up to 2024/25, there will be a £8M gap in the funding NNC will receive from Government via the Market Sustainability and Fair Cost of Care Fund (£3M in 2023/24 and increasing further in 2024/25).**

# Financial impact of ASC reforms

For people aged 65 and older, Newton have provided two cost scenarios for NNC – an upper and a lower for each of the 9 years between 23/24 and 31/32

The Lower **£125m** and the Upper - **£127m** over the 9 year period

- The cumulative financial impact of the means test and cap: **£67M**
- The cumulative financial impact of additional staffing: **£3m**
- The cumulative financial impact of implementing a fair cost of care: **£57m**



# Health & Social Care Levy

The Government is currently funding the ASC reforms via the 1.25% increase in national insurance. From 2023, however, this increase will separate into a Health and Social Care Levy with estimates of £12bn being generate in revenue.

Of this, however, only £1.2bn has been committed, in each of the next 3 years, to ASC reforms for how people pay for their social care.

Newton Europe has undertaken work on behalf of the County Councils Network (of which NNC is part of) and estimates that the additional funds provided to councils will be at least £10bn less than the costs actually incurred over the next 9 years with operational analysis also suggesting a greater workforce requirement.

An estimated 200,000 extra care and financial assessments will need to be undertaken annually (across England) as more people take up the offer of metering.

# Work undertaken so far

ADASS East Midlands has commissioned Care Analytics (CA) to undertake the Fair cost of care analysis - thereby saving NNC valuable resource.

The launch meeting for the Care Analytics work was held with NNC care providers on 17 June 2022. This meeting was attended by approximately 30 providers and the deadline for data submission by providers was the 15 July.

Care Analytics have confirmed NNC will not receive its fair cost of care data until September – This is a risk as depending when in September we receive this the turn around time to digest, analyse update our MSP, and get through governance channels is likely to be extremely tight before the 14<sup>th</sup> October deadline.

A working group has been established to review the Fair cost of care data, produce the provisional MSP, secure the views of people with lived experience, and identify key actions to raise the quality of care in NNC