

REPORT TO:	ADULT SOCIAL SERVICES REVIEW PANEL 7 October 2014
AGENDA ITEM:	7
SUBJECT:	Care Act 2014 – Croydon’s approach to implementation
CABINET MEMBER:	Councillor Louisa Woodley, Cabinet Member for Communities and People
CORPORATE PRIORITY/POLICY CONTEXT: This report is for information only.	

For general release

1. RECOMMENDATION

1.1 The Panel is asked to note the contents of the report.

2. INTRODUCTION

2.1 This report provides a current briefing on the arrangements taking place to implement the Care Act 2014 in Croydon. This Act introduces a wide range of changes to adult social care legislation and consolidates many previous Acts going back as far as the National Assistance Act 1948 which have all been repealed.

2.2 Implementation is still subject to formal agreement nationally but it is expected that this will occur in two phases, one from 1 April 2015, the second part from 1 April 2016. The report describes the processes that will be undertaken to achieve these outcomes.

3. DETAIL

3.1 Background

3.1.1 With a piece of legislation as big as the Care Act there is already a significant machine working nationally to ensure implementation occurs effectively and this is well underway. It should be noted that significant parts of the detailed regulations and guidelines are still to be published and consulted upon, so whilst it is important to get things underway as quickly as possible, this matter needs to be borne in mind.

3.1.2 At the present time it is expected that Regulations and Guidelines relating to phase 1 will be published during week commencing 13 October 2014. For phase 2 it is now anticipated that details will be provided for consultation in December 2014 (implementation is not until April 2016, but there are

significant actions to be taken post the confirmation of these Regulations and Guidelines).

3.2 Implementation Tasks

3.2.1 The main areas of the Care Act scheduled from **April 2015** are:

- A new duty of prevention and wellbeing to prevent or delay the need for care & support;
- A new duty to provide information and advice, including about paying for care;
- A new duty on local authorities to shape their local care and support market, including producing a Market Position Statement;
- A new duty on authorities to arrange care for self-funders, including for residential care;
- A new duty to provide support plans and personal budgets for people with assessed eligible needs;
- The introduction of national eligibility criteria for adult social care, covering both service users and carers (i.e. the removal of local discretion about setting eligibility). This includes a new duty to meet the eligible support needs of carers and new duties around the portability of assessments where people move to a different local authority;
- A new duty to provide deferred payments (i.e. local authorities currently have discretion about when to offer deferred payments);
- The introduction of statutory Adult Safeguarding Boards and associated responsibilities for adult protection.

3.2.2 The main areas of the Care Act scheduled from **April 2016** are:

- The introduction of care accounts and a cap system where the local authority becomes responsible for the costs of meeting eligible needs once the cap has been reached;
- The extension of the means test (upping capital thresholds for financial assessment) so that more people qualify for state funding towards the cost of their care;
- A new duty to provide direct payments for people in residential care.

3.3 Local Position

3.3.1 A number of work streams have started and the Council has already responded to two consultation exercises. There has also been the appointment of the Head of Care Act Implementation Programme for the Borough.

3.3.2 The local work streams cover the following areas:

1. Client and Carers Assessments

- This is a sizeable task that is being worked on alongside one of the Croydon Challenge projects. There will need to be some further recruitment and this needs to grow during 2015/16;
- For Carers the likelihood is that assessments will continue to be commissioned via the Carers voluntary groups but expanded.

2. Information and Advice

- There will be a range of options here to enable individuals to understand the services that are available to them, in addition to residential care options. A system has already been purchased, Care Place and this will also have input from the voluntary sector via Croydon Advice Providers Together (CAPT) to ensure that individuals can make choices on the services that best suit their needs.

3. Finance

- This covers the estimation of costs of the Act as well as expansion of the financial assessments function and the deferred payments scheme. These matters will be in hand for April 2015.

4. Communications

- A number of events have already taken place and this will grow as the national campaign starts towards the end of this year. The Council's website will also soon have a section relating to the Care Act.

5. Care Commissioning and the Market Position Statement (MPS)

- There is a requirement to produce an annual MPS identifying to the sector the types and levels of services expected to be required. Progress is being made here and this will then link with commissioning plans.

6. Adult Safeguarding

- The Council already has this service and this was set up based on the methods used for children's safeguarding. It is anticipated that this service may need to be expanded to cope with the wider demands from the Care Act.

7. Informatics and back office processes

- Many of the bigger changes expected here will apply from April 2016 but there are some required for April 2015, in particular the deferred payments scheme. Good progress is being made here as well as discussions with the ICT provider to ensure systems are compliant. Croydon is likely to be working with other councils in the south east who also use Northgate to ensure appropriate pricing and service delivery.

8. Better Care Fund

- This has been subject to a number of national changes but local plans with Croydon Clinical Commissioning Group were submitted to NHS England on 19/9/14)

3.3.3 Project groups have been set up for most of the work streams and there is a designated lead for each. They form part of an overall Project Implementation Group that reports to the DASHH Departmental Management Team. Reports have already been produced for the Council Leadership Team as well as the Council's Leadership and the Adult Social Services Review Panel.

3.3.4 Croydon is working with professional bodies including the Association of Directors of Adult Social Services, the Local Government Association, London Councils, the London Social Care Partnership (which hosts the London Care Act Implementation leads and work stream leads groups) and South West London authorities to ensure that developments and best practice can be shared.

3.4 Funding

3.4.1 In the current year all councils have received a one off grant totalling £0.125m to assist with early implementation tasks.

3.4.2 Care Act implementation funding is to be made available in 2015/16 as follows:

- £285m is to be provided nationally from the Department of Health as part of a un-ring-fenced grant. Croydon's allocation is circa £1.54m;
- £135m from the Better Care Fund, Croydon's allocation is £0.845m;
- £50m capital funding, details still to be announced but Croydon's allocations should be circa £0.280;
- In total this is £470m nationally with Croydon receiving circa £2.665m – final figures should be known in early 2015.

3.4.3 There have been a number of suggestions (by London Council's in particular) that this funding is insufficient. The reality is that Councils will need to work with their allocations and for 2015/16 with only part year costs occurring (e.g. not all expenditure will be incurred from 1 April 2015) this should be achievable.

3.4.4 Funding for 2016/17 and beyond is currently subject to the next national Spending Review. The Department of Health have produced Impact Assessments for the overall cost nationally although this is currently being updated. All local authorities will also be carrying out a local assessment of costs and are to use a model produced by Surrey County Council, approved by the Department of Health. This has and is subject to considerable revisions (for which Croydon have contributed and may need to do further work). It is now expected that this information will be produced in January 2015

3.4.5 The Department of Health have publically stated that the cost of the Care Act is a new burden and as such will be fully funded; this matter will be subject to

considerable debate nationally. If phase 2 proceeds as proposed then unlike 2015/16 some of the costs are uncontrollable, such contribution thresholds and as the years progress and individuals start to reach the cap this is when potential financial difficulties could occur.

- 3.4.6 Croydon has also already written to the Minister in respect of concerns about the funding distribution formula, which due to Croydon's location and the fact that there are so many care homes in the borough means that a disproportionate number of individuals could require funding in the longer term. It is therefore vital that the formula, which is yet to be consulted upon appropriately reflects this issue. At present we have ensured that the Minister is aware of this position and will ensure that further reminders are provided at the appropriate time.

3.5 National Position

- 3.5.1 The Department of Health are working directly with the Association of Directors of Adult Services (ADASS) and the Local Government Association (LGA) to ensure a joined up approach. There are a number of national work streams and Croydon has two people participating in these areas:

- Brenda Scanlan – Care Planning & Personalisation working group
- Paul Heynes – Paying for Care Transformation Group

- 3.5.2 In addition, Paul is seconded part-time to the Department of Health to provide advice and challenge to the funding reform programme from a local authority perspective.

3.6 Risks and Issues

3.6.1 Funding

Clearly this is the biggest issue as it is impossible to ensure that each Council has exactly the right level of funding to meet the costs of the Care Act and that the overall national pot is sufficient.

3.6.2 Demand

- This comes from self-funders who previously were outside of the responsibility of local authorities;
- Demographic growth of the cohort of people previously having services provided and in the majority of cases receiving some public contribution;
- Carers, who under the Act will be eligible for both an assessment and in certain cases, financial support.

3.6.3 Staffing

- 3.6.4 It is a fact that there is currently a finite number of staff trained to undertake a full care assessment, hence there is the need to agree standards for light touch assessments, this is still to be done and tested as to whether it satisfies the guidelines in the Act.

3.6.5 **Systems Development**

With the significant changes to services this requires considerable information systems enhancements. Whilst the team in Croydon is both experienced and in place they are reliant on the ICT provider to upgrade the system (in our case Northgate). This is considered a significant risk nationally.

3.6.6 **Market Impact**

It has been a long established fact that the price negotiated for residential care by local authorities is considerably lower than a self-funding individual can obtain. The reasoning behind this is twofold; the negotiating power of the local authority (we purchase approximately 30% of the local market) and the fact that Providers will attempt to cover costs via self-funders, thus we are paying the marginal cost for beds – much of the fixed cost is already covered.

The requirement of the Care Act is that local authorities, if requested by the individual, obtain the care placement on their behalf. Clearly the market is unlikely to sustain a major price swing towards the price paid by local authorities so there is the potential for market instability and possibly a cost pressure on the local authorities if we can no longer rely on marginal cost beds.

Scenarios are being considered but at present the position has not yet occurred, it will start from April 2015 so how the market changes/develops is still to unfold. It should also be noted that many council funded individuals pay what is known as third party top ups – additional funds for improved accommodation in care homes. The market is likely to use this route to cover the difference for self-funders.

3.6.7 **Election (7/5/15)**

The Leader has already written to the Shadow Minister in respect of a range of options/ideas that could be considered should there be a new Government. It is speculative but it could mean changes to some of the proposals scheduled for phase 2 of the Care Act. Timing of phase 2 developments will therefore an issue – how quickly we proceed will be based on information available during the next financial year.

3.7 **Summary**

Implementation of the Care Act will provide many challenges throughout the whole process. Even though there are risks as described above, with the knowledge base and the close working relationships established locally with the NHS, private and voluntary sector provider associations as well as support from professional bodies should put Croydon in a strong position to successfully implement this legislation.

CONTACT OFFICER: [Paul Heynes, Head of Care Act Implementation Programme, Department for Adult Services, Health and Housing]
[paul.heynes@croydon.gov.uk; 0208 760 5500]

BACKGROUND DOCUMENTS [None]