

REPORT TO:	CABINET – 14 SEPTEMBER 2022
SUBJECT:	Adult Social Care Reform
LEAD OFFICER:	Annette McPartland Corporate Director Adult Social Services
CABINET MEMBER:	Councillor Yvette Hopley Cabinet Member for Health and Adult Social Care
WARDS:	All

FINANCIAL IMPACT

The Adult Social Care White Paper has significant potential financial implications from 2023/24. Croydon is working regionally and nationally to develop methodologies to assess the full financial impact. Grant funding is expected; however, the allocations are not likely to be known until early 2023.

The Executive Mayor in Cabinet is recommended to:

1 RECOMMENDATIONS

- 1.1 To note the opportunities and challenges set out in this report regarding the reform of Adult Social Care.
- 1.2 To endorse the financial and transformational planning and operating model changes required, which will be delivered through the Adult Social Care & Health Directorate's service and improvement plans, aligned to the Croydon Health and Care Plan, the Council's medium term financial strategy and the Executive Mayor's priorities.
- 1.3 To agree that the Mayor will receive regular updates on the progress of the programme and receive assurance of the Directorate's readiness for the inspection assurance process.

2 EXECUTIVE SUMMARY

- 2.1 This paper summarises the recommendations of the government's Adult Social Care White Paper, 'People at the Heart of Care', which was published in December 2021. It identifies opportunities and challenges which will be faced by Croydon Council from the White Paper and makes recommendations on implementation.
- 2.2 The challenges set out will be similar for all local authorities across England. However, for Croydon they are particularly acute, due to variables including the number of care homes, budgetary and resource challenges resulting from the previous S114 notices issued by the Council, and resulting medium term financial strategy requirements.

- 2.3 The Directorate is currently delivering a key government requested exercise – the Fair Cost of Care. This is part of the national reforms; working with domiciliary providers for home care 18+, and residential and nursing care providers for 65+ to establish nationally and locally an approach to agreeing fees to enable a sustainable provider market.
- 2.4 Please also note, on 7 July 2022, a Ministerial Announcement from the Department of Health and Social Care, confirmed a partial delay to the implementation of part of the reforms, under S18(3) of the Care Act 2014; whereby self-funders in care homes could ask a local authority to enable access to their placement rates.

3 BACKGROUND AND KEY INFORMATION

- 3.1 The Care Act 2014 provided the legislative framework for a cap on care costs, but implementation was delayed until April 2020 and was then effectively indefinitely postponed.
- 3.2 In response to increasing pressure on successive governments to address the challenges in social care, plans were announced by the government in September 2021. These set out wide-ranging reforms of adult social care both in terms of system change and, on an individual level, providing certainty around how much people would need to pay for their care at their time of greatest need.
- 3.3 The government was clear in its announcement that these reforms were part of a longer journey of a change in the national vision for social care that:
- Offers people choice and control over the care they receive.
 - Promotes independence and enables people to live well as part of a community.
 - Properly values our exemplary and committed social care workforce, enabling them to deliver the outstanding quality care that they want to provide.
 - Recognises unpaid carers for their contribution and treats them fairly.

White Papers published in 2021

- 3.4 The latest reforms were initially set out in the Government policy paper: '**Build Back Better: Our Plan for Health and Social Care**' and the White Paper, '**People at the Heart of Care**' (published in December 2021), which together set out a ten-year vision based on three objectives:
- People have choice, control, and support to live independent lives.
 - People can access outstanding quality and tailored care and support.
 - People find adult social care fair and accessible.
- 3.5 The social care white paper and supporting policy documents were published within the context of a broader agenda of reforms, including the previous white paper in February 2021, entitled, '**Integration and innovation: working**

together to improve health and social care for all' that set out legislative proposals on integrating care under the themes of:

- Working together and supporting integration.
 - Stripping out needless bureaucracy.
 - Enhancing public confidence and accountability.
 - Additional proposals to support public health, social care, quality and safety.
- 3.6 The December 2021 White Paper is referred to as the 'ASC White Paper' in this report and the earlier 'Integration and Innovation' White Paper from February 2021 is referred to as 'the Health & Care White Paper'.
- 3.7 A third White Paper, **health and care system integration - Joining up care for people, places and populations**, was published in February 2022, which focuses on shared outcomes, governance, budgets and data.

Transformation at the heart of Croydon's health and care future

- 3.8 Integrated care aims to give people the support they need, joined up across local councils, the NHS, and other partners. It removes traditional divisions between hospitals and family doctors, between physical and mental health, and between NHS and council services. In the past, these divisions have meant that many people experienced disjointed and ineffective care.
- 3.9 Through system restructuring driven by the establishment of the South West London Integrated Care Partnership (ICP), the identification of Croydon as a 'Place' within the new structure, aligned to the well-established One Croydon Alliance, has strengthened the commitment of local partners to work together differently in Croydon.
- 3.10 Functions and some services now work more effectively together in an integrated way, with one ethos and one approach, to provide care and support without organisational barriers.
- 3.11 The One Croydon Alliance has been working within these principles since 2016. Supporting an all-age approach to those with complex health and care needs to remain healthy and independent at home for as long as possible and reduce unnecessary hospital admissions. Although it should be noted, there was significant impact caused by the pandemic, leading to a substantial focus on hospital discharge, rather than community services.
- 3.12 While the ASC White Paper focuses on the restructuring and development of adult social care, it should be noted that significant transformation work continues within existing programmes across Croydon (in the Health and Care Plan) and South-West London to ensure greater integration between health and social care and thus better care and support for people.
- 3.13 Reforms within both white papers complement existing local programmes and increase the focus on work that is required within the council's adult social care services.

4 PRINCIPAL REFORMS IN THE ASC WHITE PAPER

4.1 The ASC White Paper sets out the following principal reforms:

- £5.4 billion to support adult social care in England over the next three years.
- To introduce a duty for the Care Quality Commission (CQC) to independently review and assess local authority performance in respect of its discharge of duties under the Care Act. An inspection may take place from some point in 2023/24 onwards and it is essential that Croydon is prepared by reviewing all potential areas of inspection before this date. There will also be a local system review.
- To grant new powers for the Secretary of State for Health and Social Care to intervene in local authorities to secure improvement where there are significant failings.
- To establish an adult social care data framework during 2022.

Funding proposals in the ASC White Paper

4.2 The Government proposes to increase funding for health and social care over the next three years (2022-2025) through a new tax, the Health and Social Care Levy, funded through a 1.25% increase in employee and employer National Insurance contributions.

- £3.6 billion is identified to support reforming how people pay for care (including the introduction of a cap on care costs and a more generous means test).
- £1.7 billion would support wider system reform; this is expected to be disseminated through the Integrated Care Systems (ICS).

4.3 Wider system reform to be funded by the £1.7bn identified above includes:

- A specific commitment of £300m to further integrate housing into local health and care strategies; (a prospectus is expected in Autumn 2022).
- £150m for technology and digitisation.
- £500m investment in workforce.

4.4 These are all welcome acknowledgements of the challenges faced in the wider health and social care system and of functions that support people to remain living independently in their own homes for longer.

Care Cap

4.5 The government intends to reform how people pay for adult social care with a commitment that nobody needing care should have to sell their home.

- 4.6 The White Paper proposes an £86,000 cap on the amount anyone in England will have to spend on their personal care over their lifetime to be introduced from October 2023.
- 4.7 The cap is applied regardless of age or income, although **only** money spent on meeting a person's personal care needs will count towards the cap, so this will exclude accommodation and daily living costs, also known as 'hotel costs'.
- 4.8 Additionally, from October 2023 the Government proposes to make the means test for accessing local authority funding support more generous. This includes increasing the upper capital limit (the threshold above which somebody is not eligible for local authority support towards their social care costs) from £23,250 to £100,000. This means that, in assessing a person's ability to pay for their own care, the value of their personal assets that is disregarded in the calculation will more than quadruple. This measure is intended to reduce pressure on people to sell their homes or other assets to pay for their care.
- 4.9 The Fair Cost of Care work already initiated by the Directorate will help establish a reasonable benchmark on the number of self-funders who may approach the Council for an assessment, to enable them to start a Personal Care Account, which will track how much they spend on their care. Whilst this new service will be beneficial to those accessing care, the Council will need to ensure it has the capacity in personnel and systems to meet the related rise in demand for assessments.

Fair Cost of Care Exercise

- 4.10 The Market Sustainability and Fair Cost of Care Fund is to help local authorities prepare their markets for reform, not to help with an increased number of clients.
- 4.11 The exercise is a government requirement, with a first draft submission in October 2022, and a final submission of the exercise results required in February 2023. Successful delivery is directly linked to in year funding for 2022/23, and access to a £600m national pot for 2024/25 and 2025/26.
- 4.12 In order to deliver the exercise, the Council has established a dedicated team to ensure delivery of the programme and support to the market to be able to respond to the request for information. Support to the market has included:
- Engagement in person and virtually with the relevant parts of our provider market. This has included 'in person' provider forums, online support sessions, emails and phone calls. In addition to this engagement from the Council, providers have been having regular communications from the care and health improvement programme at the Local Government Association (LGA) and a number of national provider organisations.
 - Managed communications through a dedicated email address, set up specifically for this programme of work. Communications have also been put on the corporate website.

- Adopted the two free of charge national tools developed by the Association Directors Adult Social Services (ADASS) and the LGA. These tools were developed in conjunction with some of the large national provider organisations and many councils in England are using them to gather the data to carry out the exercise.
- Signposted our provider market to the extensive free of charge training and support offer funded by ADASS and the LGA.

Inspection and Assurance Framework

- 4.13 The ASC White Paper also confirms that a new inspection and assurance framework will be introduced from April 2023. This includes new legal powers for the Secretary of State for Health and Social Care to intervene in local authorities to improve services where there are significant failures to deliver their duties under the Care Act 2014.
- 4.14 Detail of the inspection and assurance framework has yet to be finalised. However, it is anticipated there will be some assessment at the 'Place' level. This would likely focus on a partnership approach, care market management, as well as a strong emphasis on the lived experience of people who use services.
- 4.15 The Government has been clear in the ASC White Paper that it's focus is on supporting local authorities' in meeting individuals' care needs, through:
- Maintaining oversight of the whole social care workforce in their local area, across public and provider organisations, though supporting staff retention and professional development.
 - Managing transitions between services – for example, between health and social care, and the transition from children's to adult services.
 - Preventing people from requiring social care in the first instance – for example, by supporting and developing community organisations working on prevention and reablement.
 - Carrying out their safeguarding duties.
 - Ensuring good outcomes for people through effective leadership.
 - Managing their commissioning and contracting responsibilities.
 - Shaping the care market to meet people's needs with diverse and quality provision, enabling choice and independence.
 - Meeting the needs of unpaid carers.
 - Assessing the needs of people who may be eligible for care and supporting them to access what they need, whether or not they receive local authority support or will fund their own care.
- 4.16 The Care Quality Commission will assess local authorities using a new single assessment framework that builds on the approach that is currently used to

assess providers (following 5 key lines of enquiry: Safe, Effective, Caring, Responsive, and Well-led).

- 4.17 It will also draw upon the 'I' statements used in Think Local Act Personal, 'Making it Real' framework, that reflects the most important aspects of personalised, culturally appropriate care.
- 4.18 Assessment themes are expected to be working with people, providing support, ensuring safety, leadership, and workforce.
- 4.19 Consequently, it is a priority for Croydon to ensure that its response in all these areas is addressed during 2022/23. This will enable the Council to be in the best possible situation to respond to an assurance inspection, which could take place at any point from 1 April 2023 onwards.
- 4.20 Although adult social care services have had assessment regimes in the past, the new assurance framework marks a change in the way that local authorities will be assessed in how they deliver adult social care functions. It will have an impact both on the delivery of services under inspection and on officer resources to prepare for inspection regimes.
- 4.21 In preparation, the Council has completed a self-assessment based on the preparation for inspection tool developed by the Association of Directors of Adult Social Care (ADASS), with the support of an external ex-DASS advisor.

5 BENEFITS TO CROYDON AND ITS RESIDENTS

- 5.1 The Croydon health and social care system is well advanced with regards to the implications of the ASC White Paper, with significant integration in place already through the Croydon Health and Care Plan, and the One Croydon Alliance, including broader integration initiatives delivered through the Better Care Fund.
- 5.2 The Directorate's existing service and improvement plans have anticipated the reform, planning initial capacity to analyse the extent to which Croydon's services meet the white paper requirements. For example, setting up a Fair Cost of Care programme and team, a review of our operating model, which is informing a workforce strategy, and an Inspection Readiness programme. This latter area of work is supported by a monthly Performance Board, which is focused on areas of weak data, financial or operational performance identified in the ADASS 'preparation for inspection self-assessment tool'.
- 5.3 There will need to be a special focus on the system reform elements set out in the White Paper, including integrating housing into local plans, technology and digitisation, workforce recruitment and retention, and other local projects that will support delivery of the White Paper's vision.
- 5.4 The work will support the Council and the provider market to ensure that we have a skilled local workforce, with clear career pathways to retain and grow a vibrant social care workforce.

- 5.5 Due to the nature of the social care market, it is important that both South-West London and 'Place' level changes that impact on the workforce are made collaboratively where they can be most effective. This will ensure no duplication or benefits being sought in one environment when they could have a greater impact at a different level.
- 5.6 System-wide integration at a strategic level creates a significant opportunity to amplify challenges and opportunities for the local authority. The South-West London Integrated Care System (SWL ICS), where substantial funding opportunities will come from, offers the opportunity for the Council to highlight, develop and implement relationships beyond the conventional health and social care relationship further into the voluntary and community sector.
- 5.7 Investment at any level is welcome to meet the vision of the White Paper, as well as local priorities to reduce avoidable admissions to hospital, supporting effective discharges and helping people to remain independent in their usual place of residence for as long as possible.

6 IMPLICATIONS

Potential for unanticipated costs

- 6.1 The most significant challenge for every local authority which delivers adult social care services, is the potential for unanticipated and unfunded costs from central government from these changes.
- 6.2 Within Croydon, there are 127 registered care homes for all client groups with around 2,933 beds. The Council commissions about a third of those beds. The Council is awaiting the results of the Fair Cost of Care work to indicate the percentage of residents who are self-funding under the current system. A proportion of whom are expected to have originated from outside Croydon.
- 6.3 If the new system is introduced, the lifetime contributions and the personal savings limit changes, will result in the funding of new peoples' care costs becoming the Council's responsibility, which represents a potential significant financial risk.
- 6.4 As negotiated council rates are anticipated to be lower than privately funded rates, providers may need to adjust their general tariff rates to compensate for any potential overall loss of income from more competitively commissioned rates from local authorities.
- 6.5 A self-funding person coming forward to ask the Council to arrange their care, will also require an assessment of eligibility of needs based on national criteria and the self-funded level of support might not align with services that the local authority would have commissioned. Nevertheless, there will be a pressure on the Council to complete these assessments and to work with residents to understand the implications, which will present a further pressure on resources.
- 6.6 It will be essential that residents understand the implications of the changes for them. Our developing panel of residents with lived experience, will be a crucial

forum to develop an effective and accessible communications plan to enable residents to understand the full implications of the reforms.

- 6.7 Council finance officers across London dealing with adult social care are currently working on indicative modelling to cost the potential financial impact of the reforms, resulting in more people who fund their own care becoming the responsibility of their local council.
- 6.8 In essence, the introduction of a care cap creates a potentially significant and only partially quantifiable financial and capacity risk for the Council.
- 6.9 Detail around the level of funding the government will make available to support local authorities is crucial to fully assess the impact and further announcements on this are anticipated.
- 6.10 Some of the funding has been announced, specifically the Market Sustainability and Fair Cost of Care Fund, which will give £1.4bn grant funding to councils over three years. Although this is to help local authorities prepare their markets for reform, not to help with an increased number of clients. Councils will not know their grant allocations until Quarter 4 of 2022/23, nor is there clear guidance on the grant beyond 2024/25. It is also possible it may not be sufficient to meet the financial pressures.
- 6.11 In terms of the wider ASC Reforms, in August 2022, the government published a consultation, '[Distribution of funding to support the reform of the adult social care charging system 2023 to 2024](#)'. The proposals cover the elements of the reforms related to distributing funding for needs and financial assessments, the extension to the means test and the cap on care costs. A final funding decision will be published by the 2023/24 provisional local government finance settlement.
- 6.12 Learning from the consultation responses and from delivery in 2023/24, will inform adjustments to decisions on future distribution values. It is likely there will be a further consultation for 2024/25.

Workforce

- 6.13 In its initial analysis of the ASC White Paper, the Municipal Journal (Nov 2021) calculated that, once other factors are accounted for, the increase in local authority spending power after the new funding is made available may be as low as an additional 1.8%.
- 6.14 There was detail in the White Paper and the Government's Autumn Spending Review of how the additional £500m on workforce development would be spent, including training, mental health support, continuing professional development (CPD) for nurses and a digital hub for support and advice.
- 6.15 Importantly, the White Paper does not address the immediate recruitment and retention challenges of both care home and domiciliary care staff who number 1.65m in England, nor to the present recruitment challenges of social workers and occupational therapists within social care. Though again, in both instances, the Council is working hard with local providers, including negotiations on cost of care uplifts, and passporting various government workforce grants.

- 6.16 On the Council's own workforce issues, reviewing the operating model and a workforce strategy will focus substantially on demand management, and a workforce that can respond to increase demand for assessment and review.
- 6.17 While the authority continues to meet demand as required, there may continue to be insufficient, trained resources within the wider labour market or working in our local system to optimally deliver services against rising demand.
- 6.18 Significantly, local focus at the 'Place'/Borough level must influence and address the factors that will result in improved performance and better outcomes. This would include effective market management, quality of commissioned care, quality of practice within Adult Social Care, effective integration of processes with housing and improvements in data management, all of which are identified in the ASC White Paper.

Managing demand

- 6.18.1 The ASC White Paper raises the disregard of personal savings to £100,000 (from £23,250). It is likely that more people may exercise their right to request that the local authority supports them in arranging their care. This will have a resource implication within social care assessment and brokerage services.
- 6.19 The borough of Croydon has a large provider market and therefore a greater pressure on the Council will mean that, while engagement with providers is usually very good, market management becomes significantly more pressured to meet demand and to maintain flow.
- 6.20 Specifically, our improvement focus is targeted to divert people from long-term care, e.g., through reablement, Home First and work with the third and voluntary sectors. These may be affected by increased demand for care assessments, however our vision will remain to enable, where appropriate and proportionate, people to stay in their own homes and communities.
- 6.21 The local authority is committed to new ways of working but resource challenges are always present during periods of change, and it will be important that there is clarity on the sources of funding to ensure the full implementation of the vision.

7 SERVICE AND IMPROVEMENT PLANS

- 7.1 To address the challenges and opportunities presented by the White Paper, the Adult Social Care and Health Directorate has developed a clear strategy and aligned service and improvement plans.
- 7.2 A significant focus of the strategy and plans will be on continuing to work with system partners to best meet the needs of Croydon residents. Within this, programmes are in place to focus on the reforms, inspection readiness, managing demand and integration.

- 7.3 Progress will be reported at regular stages to appropriate levels of system governance, including to the independently Chaired Improvement Board, the Mayor, and the Health and Social Care Scrutiny sub-committee.

8 IMPLEMENTATION OF LIBERTY SAFEGUARD PROTECTION

- 8.1 Although not part of the ASC White Paper, but crucial to note, separately the government has consulted on a revised Mental Capacity Act code of practice and guidance, on Liberty Protection Safeguards (LPS). It is the first revision of the code since publication in 2007 and reflects changes in legislation, case law, organisations and good practice which have developed over time. The new system, when implemented, replaces the Deprivation of Liberty Safeguards, which have been in place since 2009.
- 8.2 The Government has suggested that responses to the consultation will have been considered by winter 2022. There is also a minimum period for the code and regulations to be laid before Parliament for 40 days.
- 8.3 Even with the consultation there are still a number of 'unknowns' in the planned implementation, which all local authorities are struggling with and are concerned about the possible resource implications. Currently the plan is still for LPS to be implemented in April 2023.
- 8.4 The implications for Croydon are both systemic and operational. These will include statutory accountability and compliance, opportunities for integration of services, practice standards, emergency duties, learning and development requirements, and communicating the change to partners, our workforce, and residents.
- 8.5 The Directorate has strong links with regional networks considering the implications for local systems and councils; we are engaging with our partners and developing financial and resource business cases, and implementation plans. Ongoing assurance will be provided to system partners, the Mayor and wider scrutiny as and when required.

9 CONSULTATION

- 9.1 In May 2022 the Executive Mayor Perry set out a manifesto pledge to, **'Put service users at the heart of our policy and ensure that co-production includes those who are most vulnerable, whether that be our elderly, disabled or hard to reach [seldom heard] because of social isolation'**.
- 9.2 To deliver the Executive Mayor's pledge, the Directorate will enable resident voices to be heard and, where appropriate, to co-produce and / or inform service design or improvement, commissioning of new services, policy development and accessible information, advice, and guidance.
- 9.3 To achieve this, the Directorate has set out its the vision (below) in the Adult Social Care and Health Strategy. It was adapted from the #Socialcarefuture movement, 'Whose Social Care is it Anyway?' Inquiry. This was following a request from the Croydon Adult Social Services User Panel (CASSUP).

‘enable people to live in a place they call home, with the people and things that they love, doing the things that matter to them in communities which look out for one another’.

- 9.4 In launching the Adult Social Care and Health Strategy, the Council committed to ensure we make real our ‘Resident Voice’ priority, and that it is not seen as tokenistic.
- 9.5 The Directorate is committed to building long lasting relationships with our residents through high quality operational and commissioning practice, officer representation with existing panels and Partnership Boards, and in the six ‘Local Community Partnerships’ that have grown across the borough. We have also embedded in our Improvement Board, resident (Healthwatch Croydon) and carer (Whitgift Foundation) representatives as members.
- 9.6 The deliverables will be set out in a ‘Resident Voice Communications and Engagement Action Plan’.
- 9.7 We will also publish in 2022 a Local Account, which is an opportunity to demonstrate how we are succeeding on developing and listening to the Resident Voice.
- 9.8 The County Council Network/Newton Europe report on Adult Social Care Reform stresses the importance of “developing a clear communications and engagement plan for residents, supporting them to understand the impact of reforms, including how much cost they will be liable for”.
- 9.9 There are potential financial benefits to residents resulting from these reforms, but without clear communications, there is a risk that widespread misunderstanding about the scope and impact of the reforms will lead to significant levels of complaints for both care providers and local councils.

10 PRE-DECISION SCRUTINY

- 10.1 On 28 June 2022, the Corporate Director of Adult Social Services and Health presented to Health and Social Care Scrutiny sub-committee, a paper on ‘An overview of the Adult Social Care and Health Directorate.’
- 10.2 The paper and subsequent discussions set out, broadly, the implications of adult social care reform. The Chair of Scrutiny summarised the meeting indicating the Committee’s forward programme will need to receive updates on the financial performance of the Directorate, and its ability to prepare and implement changes required to deliver the reforms and inspection readiness.

11 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 11.1 The White Paper has significant potential financial implications for Croydon and all local authorities. Initial assessment by ASC finance leads in London indicates that any additional income from the Health and Social Care Levy is

only likely to cover a proportion of the additional costs introduced to local authorities by the implementation of the Care Cap, and Fair Cost of Care.

- 11.2 The Directorate is working closely with the London finance leads, modelling various scenarios that will determine a range of potential impacts on local authority finances and will identify where additional funding will be necessary from alternative sources to meet this need.
- 11.3 At present, it is not possible to provide a final figure on how significantly Croydon might be affected and what mitigations can be put in place to meet this risk. However, the Directorate is confident that through its relationship with the London finance leads, and its own progress on the fair cost of care, it is in a reasonable position. At the very least, the Council is in no different a position to contemporaries in London.
- 11.4 Increased risk will come from the level of self-funders' current fees, which are not known to the Council and will need to be estimated. While a proportion of this risk will be met by contribution from the levy, the amount of Government support is unknown at this stage, is possibly now at risk and further modelling is required to quantify the true risk for Croydon and all local authorities.
- 11.5 Further, Councils' will not know their fair cost of care grant allocations until Q4 of 2022/23, nor is there clear guidance on the grant beyond 2024/25, which is far too late for effective planning and risk management.

Approved by: Mirella Peters Head of Finance on behalf of Jane West
Corporate Director of Resources (Section 151 Officer)

12 LEGAL CONSIDERATIONS

- 12.1 The most part of the report is based on the content of the Adult Social Care White Paper, which will form the basis for primary legislation in the future. The current legal framework for the provision of adult social care is set out in the Care Act 2014, its enabling Regulations and the supporting Care and Support Statutory Guidance.
- 12.2 From October 2023, the Government plans to introduce a new cap of £86,000 on the amount anyone in England will have to spend on their personal care over their lifetime. The cap will apply irrespective of a person's age or income and will not apply retrospectively. The legislative framework for a cap is already provided by Section 15 Care Act 2014 (referred to as the cap on care costs) but this and any enabling provisions are not yet in force. To implement the cap, section 166 of the Health and Care Act 2022 will amend the provisions in section 15 Care Act 2014. The Government plans to introduce a new ['Operational guidance to implement a lifetime cap on care costs'](#) which will set out how the cap on care costs will work in practice.
- 12.3 The Government has announced an increase to health and care funding. To pay for this, the Health and Social Care Levy Act 2021 has been enacted and makes provisions for a new levy payable by individuals (in work who are over State Pension age) to the Secretary of State to be used for the purpose of health and social care. The levy will have effect from April 2023.

- 12.4 The Liberty Protection Safeguards (LPS) were introduced in the Mental Capacity (Amendment) Act 2019 and will replace the Deprivation of Liberty Safeguards (DoLS) which is the current system for authorising arrangements amounting to the deprivation of liberty for adults in hospitals or care homes who lacks mental capacity to consent to those arrangements as part of their care and support plan. The new LPS will apply to individuals aged 16 and above who are or who need to be deprived of their liberty in order to enable their care or treatment and lack the mental capacity to consent to their arrangements. LPS will extend to individuals residing in domestic settings including those at their family home, shared lives and supported living accommodation. The Government has acknowledged that implementation of the LPS is a large-scale reform programme and will involve big changes for the health and social care system, and the people who rely on it. The key stakeholders in this system which include local authorities are expected to take a proactive role in ensuring readiness in line with the regulations, the Code and additional government guidance.
- 12.5 The report rightly acknowledges the significant funding and resource implications to deliver on the proposed reforms and which impacts on the discharge of legal obligations once in force.

Approved by: Stephen Lawrence-Orumwense Director of Legal Services

13 HUMAN RESOURCES IMPACT

- 13.1 The workforce challenges expected due to the reforms will be felt across England. Ensuring the Council remains part of Place, regional and national discussions, will enable it to have access to the best learning and workforce modelling.
- 13.2 The Council is aware of the implications that the White Paper will have on its workforce, and the wider health and social care workforce within the borough. This paper therefore sets out the work being undertaken by the Council both internally, and with its partners, in relation to operating models and workforce strategy. Where relevant, the Council will ensure that the proper engagement and consultation is undertaken with staff and trade unions; and will follow its normal HR policies and procedures.

Approved by: Debbie Calliste, Head of HR for Adult Social Care & Health on behalf of the Chief People Officer

14 EQUALITIES IMPACT

- 14.1 The Government has completed a [national equalities impact assessment](#) respect of the White Paper, and that is informing legislative changes.
- 14.2 More detailed equalities implications for Croydon will be assessed as part of the business development and improvement plan.
- 14.3 The Council has a statutory duty to comply with the provisions set out in the Equality Act 2010. In summary, the Council must in the exercise of all its

functions, “have due regard to” the need to the need to comply with the three arms or aims of the general equality duty.

- 14.4 The Council have also committed in the Equality Strategy 2020- 2024 to improve methods of data collection with regard to service users to enable the Council to monitor the impact of their services and contract management.
- 14.5 The Council are also committed to eradicating poverty and inequality and ensuring that service users are able to access services irrespective of socio-economic status or digital exclusion.
- 14.6 The Adult Social Care Reform will impact positively on a range of equality characteristics, as detailed
- 14.7 By supporting those with hidden and visible disabilities in meeting the costs of their care, the policy will benefit people with disabilities. It will also advance equality of opportunity between those with disabilities and those without.
- 14.8 The policy is also more likely to favour women who are more likely to access formal care and also more likely to be disabled. It would benefit some ethnic groups who are overrepresented amongst groups of lower socioeconomic status. This would help to manage the uncertainty about future ability to pay. It would benefit older people, in that most adults receiving formal care are aged 65 or over. Single people are also more likely to require formal care, so are also more likely to benefit. This could mean that they along with other characteristics may have less certainty over their ability to manage any future care needs so would benefit from these proposals.
- 14.9 Quality care provision is of a highly personal nature and more effective when it is delivered in a culturally appropriate manner. Service users’ health outcomes are improved by the provision of holistic care. It is important to assess whether care provision can still be delivered by a range of different providers who will meet the cultural needs of our residents. Often diverse providers may be smaller in size, so consideration should be given to availability of a diversity of care providers throughout locations which is reflective of the diversity in the borough.

Approved by: Denise McCausland – Equality Programme Manager

15 ENVIRONMENT AND CLIMATE CHANGE IMPACT

- 15.1 No impact.

16 CRIME AND DISORDER REDUCTION IMPACT

- 16.1 No impact.

17 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

17.1 The Council has a statutory duty to ensure it delivers the legislative changes; but also, that it has fully analysed and modelled the system, financial, social and workforce impacts of the Adult Social Care Reforms.

18 OPTIONS CONSIDERED AND REJECTED

18.1 This is the only option considered. The Council has a statutory responsibility to deliver the requirements within the reforms.

19 DATA PROTECTION IMPLICATIONS

19.1 **WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?** – Yes.

19.2 **HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?** - NO.

19.3 It is not required for this report. The new reforms will affect the processing of personal data, in particular there is the proposed new Personal Care Account, however the Directorate already has a published DPIA for adult social care and that will cover the reforms.

<https://democracy.croydon.gov.uk/documents/s19037/Appendix%201.pdf>

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BACKGROUND PAPERS

Health and social care integration - joining up care for people, places and populations

This white paper sets out measures to make integrated health and social care a universal reality for everyone across England regardless of their condition and of where they live.

<https://tinyurl.com/2s4yzkuy> (Published 09 February 2022.)

Transforming social care - people at the heart of care

Department for Health and Social Care website setting out the long-term vision for delivering adult social care in England.

<https://tinyurl.com/yy9rkfvd> (Published December 2021.)