

<b>Bath &amp; North East Somerset Council</b>	
MEETING:	Wellbeing Policy Development & Scrutiny Panel
MEETING DATE:	17 January 2014
TITLE:	Care Bill
WARD:	All
<b>AN OPEN PUBLIC ITEM</b>	
<b>List of attachments to this report:</b>	
Appendix 1 – Care Bill Summary	

## 1 THE ISSUE

- 1.1 The Department of Health (DH) has undertaken public consultation on major reforms to adult social care contained within the Care Bill 2013-14. The consultation, which closed in October 2013 covered:
  - How to manage the large increase in demand from people who pay for their own care and support; and
  - Major changes to social care practices and systems, including assessment and charging.
- 1.2 The consultation focused on how practical details of the changes to social care should be managed. The Government is still analysing the feedback from the consultation and is yet to publish its response. The Care Bill was debated by the House of Commons on 16<sup>th</sup> December 2013 and has now proceeded to Committee stage.
- 1.3 The proposed reforms have significant implications for the Council and also, for some key partners. The direct impact will be on the assessment of eligibility for care and support and on financial assessment but there will be knock-on effects including on market management, information and integration. This report summarises the key issues and implications for social care, which are contained in Part 1 of the Care Bill. Bath and North East Somerset's position and any associated specific issues are summarised in section 4 below.

## 2 RECOMMENDATION

The Panel is asked to:

- 2.1 Note the key proposals in the Care Bill and early analysis of the implications for Bath and North East Somerset Council and other key partners;
- 2.2 Receive a further update prior to enactment of the Bill or if any substantive changes are made to the Bill as it proceeds through the House of Commons.

### **3 FINANCIAL IMPLICATIONS**

- 3.1 It is difficult, at this stage, to accurately estimate the financial implications of these reforms. London Councils have estimated that the national cost of implementing the reforms over a four year period are in the region of £6 billion, as opposed to the government estimate of £1 billion a year.
- 3.2 In London, it is estimated that there will be a 37 per cent increase in people qualifying for local authority support for residential care by 2019/20 and the impact on the South West as a region is likely to be considerably higher as people will reach the contribution cap more quickly, reflecting the cost of residential care in the South West.
- 3.3 London Councils have estimated the total increase in cost pressures from 2016/17 to 2019/20 as £1.3b of which a minimum of £877m is a direct result of implementation. These costs include an estimate of £421m for inflation and demographics (based on Institute of Public Care demographic data and inflation forecasts from the Office of Budget Responsibility). The estimated costs for the South West are of similar magnitude.
- 3.4 Costs pressures are likely to be seen in the adult social care commissioning budgets, with increases in the costs of purchasing care to meet eligible needs for service users and carers and, also, the requirement to ensure that self-funders are able to access advice and information. There are implications for the resourcing of the Council's finance support function, with pressures associated with increased numbers of financial assessments, the requirement to establish individual "care accounts" and to provide an annual statement to individuals which confirms their progress towards the cap on their personal contribution.
- 3.5 Sirona Care & Health as the primary provider of care and support assessments will face similar pressures associated with the staffing needed to undertake an increased number of needs assessments, including carers' assessments. The Council will be responsible for commissioning/funding the staffing required to undertake this increased number of needs assessments in fulfilment of its statutory responsibilities. The mental health social work service (managed by Avon & Wiltshire Mental Health Partnership NHS Trust and employed by the Council) will experience similar pressures on staffing capacity though on a smaller scale, reflecting the smaller numbers of service users and carers with mental health needs.

### **4 THE REPORT**

- 4.1 A briefing on key proposals in the Care & Support Bill is attached as Appendix 1. The position in Bath and North East Somerset is summarised in paragraphs 4.2 to 4.8.

## B&NES' Position

- 4.2 Eligibility for adult social care is at the proposed “Substantial” threshold and is, therefore, unlikely to need to make significant changes to eligibility criteria in response to the proposed adoption of a national threshold.
- 4.3 The national Resource Allocation System (RAS) is currently being implemented so, again, it is unlikely to be necessary to make significant changes to the current RAS.
- 4.4 The proposed additional flexibility to be given to local authorities in how they provide assessments is likely to result in a broadening of the types of organisations that local authorities can delegated this statutory responsibility to. Sirona Care & Health Community Interest Company (a form of Social Enterprise) undertakes the majority of the adult social care needs assessment/review process on behalf of the Council. This is a function that cannot be fully delegated to a Social Enterprise under the current legislative framework. As a consequence, there is some duplication of effort and a requirement for commissioner sign-off and/or audit and assurance, which could be streamlined if legislation was changed to enable the Council to fully delegate needs assessment to Sirona or other similar organisation if it wished to do so.
- 4.5 The findings and recommendations of the Audit Commission report: *Reducing the cost of assessments and reviews* (Appendix 1, page 2, first bullet point) has helped to inform a redesign of the adult social care pathway, which includes a greater focus on advice/information and sign-posting and on prevention/early intervention with the aim of improving service user experience and outcomes and reducing the proportion of those people needing to proceed to a full Community Care Act assessment.
- 4.6 The Council as recently agreed a Deferred Payment Scheme, which is in line with proposals set out in the consultation. This will provide a sound foundation on which to implement the proposals for a universal Deferred Payment Scheme.
- 4.7 Planning for these reforms needs to start now and, given the scale of the changes and potential implications for the Council, this planning, at least in the first instance, needs to be led at a senior level. A Task Group has been established and jointly chaired by the Council’s Divisional Director, Business Support (and also Section 151 Officer) and the Deputy Director, Adult Care, Health & Housing Commissioning & Strategy. The initial purpose of this group is to: undertake initial assessment of financial and policy implications; staff resourcing requirements (implementation and on-going); risk assessment and draw up a project plan, to include key decisions.
- 4.8 As part of the early planning work an all-day training event on the Care Bill, was recently provided by a care and health law expert for key Council, Sirona and AWP staff. Training and awareness raising for other key stakeholders will be part of the Project Plan drawn up by the Task Group referenced in paragraph 4.7.

## **5 RISK MANAGEMENT**

- 5.1 Planning will need to include a thorough risk assessment and development of an action plan to mitigate the key risks. However, at this stage, key risks appear to include:
- Formulae for distribution of Government funding to implement the reforms may penalise the South West in addition to the overall funding shortfall;
  - Impact on Council cash flow of deferred payments scheme;
  - Significant increase in care management assessments and reviews and, in B&NES case, knock-on effect for Sirona Contract;
  - Providing projections of when people might reach the cap on their individual contribution could open local authorities to challenge and is also likely to increase the complexity of implementation and operation of the care account;
  - Impact on the care home market and the ability of commissioners to influence supply if funding does not allow for 3rd party top-ups and the policy is underfunded (as suggested by the London Council's research);
  - The (separate) introduction of Personal Independence Payments and Universal Credit may result in a lack of visibility over the component parts of individual's income and expenditure, impacting on the amount that can be "disregarded" in financial assessment;
  - Potential difficulty in developing financial products for self-funder market;
  - If the complaints process is based on the model used for appeals about school placement decisions or continues the current 'tiered' social care model, this is likely to have significant resource implications.

## **6 EQUALITIES**

- 6.1 An Equalities Impact Assessment has not been completed at this stage.

## **7 CONSULTATION**

- 7.1 Consultation to inform plans and any necessary policy changes will be undertaken with a range of stakeholders through targeted engagement events and presentations to appropriate governing bodies and stakeholders as appropriate during the planning and implementation phases.

## **8 ISSUES TO CONSIDER IN REACHING THE DECISION**

- 8.1 *Social Inclusion; Customer Focus; Sustainability; Human Resources; Young People; Human Rights; Corporate; Other Legal Considerations.*

## **9 ADVICE SOUGHT**

9.1 The Council's Section 151 Officer (Divisional Director - Finance) have had the opportunity to input to this report and have cleared it for publication.

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<b>Background papers</b>	
<b>Please contact the report author if you need to access this report in an alternative format</b>	