

<b>Committees:</b> Health and Social Care Scrutiny Committee	<b>Dated:</b> 11/09/2023
<b>Subject:</b> Adult Social Care Transformation Programme	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	1,2,3
<b>Does this proposal require extra revenue and/or capital spending?</b>	N
<b>If so, how much?</b>	N/A
<b>What is the source of Funding?</b>	Better Care Fund
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	N/A
<b>Report of:</b> Judith Finlay, Executive Director of Community and Children's Services	<b>For Discussion</b>
<b>Report author:</b> Emma Masters, Transformation Programme Manager, Adult Social Care	

### Summary

Further to our paper outlining the impacts and response to the Adult Social Care Inspection Framework, this report aims to provide information on the wider Adult Social Transformation Programme delivery, which was incepted to respond to the pressures of Health and Social Care Reform.

This report provides detail, requested by members of this committee, on the cost associated with the transformation programme.

### Recommendation

Members are asked to:

- Note the report.

### Main Report

#### Background

1. In December 2021, the government announced its commitment to reforming adult social care across the whole of England, publishing a white paper 'People at the Heart of Care: adult social care reform'. The paper outlines a 10-year vision setting out the long-term aspirations for how people will experience care and support. This has a particular focus on three key objectives:
  - How we will support people to have choice, control, and independence.
  - How we will provide an outstanding quality of care.
  - How we will ensure that care is provided in a way that is fair and accessible to everyone who needs it.

2. The 'People at the Heart of Care: adult social care reform' white paper acknowledges that there is "an abundance of good practice, aspiration, and legislation that provides strong foundations for our 10-year vision". Specific reference is made to the Care Act 2014 and its importance as a foundation for reforms, whilst recognising that "the full spirit of the Care Act is not currently being met". The white paper stated that the Health and Social Care Act (2022), and the reforms in the white paper itself, will "seek to rectify this".
3. In March 2022, the Association of Directors of Adult Social Services (ADASS) published a reform timetable highlighting extensive pressure on local authorities to deliver legislative requirements over the next 3 years, with delivery directly impacting grant funding compliance. Immediate action was required to comply with the delivery requirements set out for 2022-23 and to prepare for substantial change projects due for delivery in 2023-24, requiring significant change to IT systems and process.
4. Our ability to outline and implement change to meet the vast reform requirements were impacted by resource capacity; with a substantial risk to service delivery without additional resource to support, due to the departments size and ability to absorb the additional delivery demand. Our preparedness to respond raised reputational, operational, financial, and compliance risks.
5. In May 2022, in response to the DHSC's requirement to deliver a transformation of adult social care, the Departments Leadership Team (DLT) approved the inception of the adult social care Transformation Programme along with the associated cost. DLT recognised the significant impact that reform has to our current ways of working, and that change programmes are reliant on additional staffing and/or commissioned delivery to mitigate against the risk of non-compliance, as well as reducing impact to protect our frontline service delivery.
6. The impact of reform requires (as a minimum), revision, updating and implementation of new policies, procedures, system recording and reporting systems, financial analysis and monitoring, market shaping, practice change and development; adapting ways of working with a view to strengthening our position to meet the future pressures reform brings in the next 10 years. The programme approach seeks to find efficiency to support the department to absorb growing service demand and complexity amongst our service users and provider market pressures, delivering a far wider reaching programme of improvement in service delivery.

## **Current Position**

7. The delivery of the programme has been impacted by several delays from government. Progress towards delivery of individual projects were started and resourced in 2022 to meet the immediate delivery deadlines, with delays announced impacting delivery requirements, and new conditions set out for redistributed funding. During this period of delay, the programme activity adapted to the changing deliverables set out by government.
8. In November 2022, the Autumn Statement confirmed a two-year delay to the legislative framework for a cap on care costs (Care Act 2014) which planned to introduce a new

£86,000 cap on the amount anyone in England will need to spend on their personal care over their lifetime. Preparing for the implementation of a 'care account' from October 2023, project delivery had commenced to meet the increase in demand for additional assessments, with a requirement for local authorities to upgrade IT systems to record and maintain care accounts.

9. The findings from the project planning stages for the opening of a 'care account' has been taken forward into the programme delivery objectives to improve City's position in terms of system capability and to future proof our position.
10. The government set out to understand as well as underpin the provider marketplace in their Fair Cost of Care and Market Sustainability plans, seeking to address the pressures the pandemic had on the provider market as a whole, to stabilise the market for the future needs of reform. The government requires local authorities to start building strong foundations, preparing markets for wider charging reform, thereby increasing market sustainability. The programme has met the in-year return conditions, securing our funding position for provider increases by providing data reporting on City's demand projections and producing our Market Sustainability Plan (MSP), which outlines our short medium and long term plans. The programme will support the delivery of the short-term MSP project activity.
11. Already delayed from going live in October 2020 due to the impact of the pandemic, the delivery of Liberty Protection Safeguards (LPS) was expected to go live in April 2023, according to planned government timescales. On 5<sup>th</sup> April 2023, LPS was delayed 'beyond the life of this Parliament'.
12. From 1 April 2022, the government published Hospital discharge and community support guidance requiring systems to adopt discharge processes that best meet the needs of the local population. It outlined a need to continue the work of pandemic approach to hospital discharge, with a home first model and continuing the strategy to free up pressures on hospital beds. The programme has delivered and embedded a City of London focussed hospital discharge model.
13. The Health and Care Act 2022 gave new powers to the Care Quality Commission (CQC) to provide independent assessment of adult social care at a local authority level. A project commenced to produce an adult social care self-assessment, evidence and build ongoing infrastructure to meet the CQC Framework, with delays in the framework publication impacting on our ability to move at pace. In April 2023, the framework was published, with work underway to assure City's position in this area.
14. In June 2023, we commissioned a peer review via the Local Government Association (LGA), to provide additional input into and scrutiny of our Adult Social Care self-assessment and inspection readiness. The outcome supported the enhancement of our preparation and tools to be CQC inspection ready for late 2023. (see appendix A for the LGA Peer Challenge Report).
15. With pressures on health and social care service delivery over the next 10 years, the increased demand from government for enhanced data reporting; (hospital discharge, client level data, changes to equalities data, prevention, impact of fair cost of care,

market sustainability, integration and digital) means adult social care need to future proof its resources, working in a leaner and smarter way to absorb the impact of such a large change programme.

16. Improvements have been identified and projects underway to amplify our use of systems and recording, using system tools and improved process to improve data capability and intelligence, improve wastage in process duplication and reduce single points of failure within our small infrastructure. By streamlining and improving current ways of working to absorb the impact of change on frontline resources, we aim to minimise the long-term growth in spend.
17. A resourced programme of work was agreed by DLT, governed by a transformation board and chaired by the Executive Director of Community and Children's Services. In addition to the resource commitment required from senior leaders and management across departmental services, dedicated project roles and specialisms were identified to underpin the programme and assure its delivery capability.
18. Given the need to respond rapidly, together with lengthy recruitment timelines for fixed term contracts, DLT agreed that the dedicated project roles could be resourced with agency staff, to fill the necessary programme skilled roles quickly and efficiently. In 22-23 a Programme Manager provided the programme start up with a Project Officer role offering existing staff opportunity to apply. As projects have developed within the programme (with some subsequently changing or ceasing), we identified the requirement for specialist skilled roles. With reform impacting local authorities nationally, the market demand for specialist skills has risen, impacting on our ability to fill roles via contracts, with agency rates impacting our competitiveness to attract the right skills required for delivery. Further agency workers have been engaged to deliver specific pieces of timebound work. With the fluctuating messaging and last-minute announcement from government to date, the programme's temporary resourcing ability has supported quick response to changes.
19. Our programme delivery and progress to date has been outlined in appendix B.

## **Programme Funding**

20. Although the government sighted an injection of funding to support the sector to deliver on the reform initiatives, specific funding announcements along with their conditions were not understood prior to programme start up. In May 2022, DLT agreed that the Transformation Programme Board would be resourced from the external Improved Better Care Fund (iBCF) in the first instance, due to the absence of direct funding announcements at that time.
21. The programme aims to deliver all identified change projects this year (see appendix B), embedding leaner improved system tools and processes, which in turn seek to improve our recording and reporting capability, produce the adult social care self-assessment and embedded CQC inspection governance structure, a market sustainability plan and start-up of market stabilisation projects, project learning and tools for LPS and care account for reference after 2025. with handover planned early 2024-25 for in service delivery.

**22. Financial implications:** The associated programme delivery costs are forecast £663k over a 3-year period and will be met via external iBCF grant funding in the first instance.

- In year 2, the programme costs are supplemented by the external Care Cap implementation support grant (£133k). This is a non-ringfenced contribution towards local authorities to implement charging reform, recognising the investment requirement by local authorities to meet new system, process and policy requirements.
- In year 3, the programme activity will deliver its objectives and hand over the change activity to business as usual. Beyond this delivery, further needs and costs associated to the government's 10-year plan will be considered in year 3.
- Breakdown of programme cost, and resources are set out below:

Year	Programme resources	Programme Cost
22-23	Programme Manager Project Officer Business Analyst System Specialist	£206k (actuals)
23-24	Programme Manager Project Officer System Specialist Performance Specialist Policy Specialist	£457k (forecast)
24-25	Business As Usual delivery	£0 (no additional cost)

The iBCF grant conditions allows spend on adult social care need and must meet the test of additionality. This can include reducing planned service cuts or maintaining existing services, as well as on new provision.

It is important to note that, in addition to the programme costs and delivery, further grant funding allocated by government to support reform initiatives to date (and that outlined for 24-25) has been, and will be, distributed as directed. Grants have been distributed to support frontline service delivery for our residents in terms of hospital discharge and seasonal pressures, stabilisation of the provider market to meet pressures impacted by significant increases to national living wage together with energy and interest rate costs, with our Better Care plans and delivery supporting prevention and early intervention service delivery.

**23. Resource implications:**

none

**24. Legal implications:** This is a legislative change for Adult Social Care service delivery. The City of London will need to ensure that there is legislative compliance.

**25. Risk implications:**

The programme is in place to mitigate the following identified risk reform brings:

- Pressure on already stretched service delivery, risking City's reputation and possible increase in complaints.

- Service delivery activity will take priority over programme delivery to ensure current operational obligations are met; Risk that DHSC deadlines cannot be met, resulting in non-compliance.
- Financial implications are not understood, with possible missed opportunities to bid for funding and risk to already stretched budgets.
- Lack of focused expertise to make informed decisions, increasing operational and compliance risks.
- Disjoint to ways of working. Segmented silo working producing inefficiency and wasted resources. Impacting operations and potentially spend.
- Projects will require resource input from across the service areas. The addition of programme resources will greatly reduce the impact on operational business as usual, although not entirely.

26. **Equalities implications:** The Government has conducted Equalities Impact Assessments on all reform initiatives.

27. **Climate implications:** N/A

28. **Security implications:** N/A

## Conclusion

29. The programme and subsequent costs have reduced the risk of non-compliance and loss of grant income with frontline resources unable to meet the reform requirement to ensure delivery of key services.

30. The programme has enabled a system wide approach to change, to ensure our structures, resources and future pressures can be met past the life cycle of the programme.

## Appendices

Appendix A - Peer Challenge Report

Appendix B - Programme Delivery

## Background Papers

- People at the Heart of Care: adult social care reform
- Care Act 2014
- Health and Social Care Act
- Care Account
- Fair Cost of Care and Market Sustainability
- Market Sustainability Plan
- Hospital discharge and community support guidance

## Emma Masters

Transformation Programme Manager, Adult Social Care

T: 020 7332 3129

E: [emma.masters@cityoflondon.gov.uk](mailto:emma.masters@cityoflondon.gov.uk)