

Committees: Department of Community and Children's Services Grand Committee – For Information Health and Wellbeing Board – For Information	Dated: 03/10/2022
Subject: Adult Social Care Transformation	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1,2,3
Report of: Andrew Carter, Director of Community and Children's Services	For Information
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Summary

The Department of Health and Social Care (DHSC) has set out to transform services.

A suite of reforms of the health and care system have been outlined in white papers and legislation. The implementation of the reforms will have a significant impact on the Adult Social Care service in terms of process, systems, and resources. The reforms include changes to local authority charging for adult social care services and reintroduce the assessment of local authority Adult Social Care by the Care Quality Commission (CQC).

A City of London Adult Social Care Transformation Board has been set up to oversee the implementation of the reforms, with work currently in progress. Implementation costs for this financial year are being fully met from existing grant funding. Uncertainty around the level of future central government reform funding for 2023/24 and beyond is causing concern across the wider Adult Social Care sector.

Recommendation

Members are asked to:

- Note the report.

Main Report

Background

1. The early stages of the COVID-19 pandemic led to the Government postponing the implementation of the Mental Capacity (Amendment) Act 2019 in recognition of the pressure on health and social care services. As we emerged from the pandemic, the DHSC set out to transform services. A suite of reforms of the

health and care system have been outlined in the following white papers and legislation:

- *Health and social Care Integration: Joining up care for people, places, and population*
 - *Build Back Better: Our plan for health and social care*
 - Adult Social Care Reform white paper, *People at the Heart of Care*
 - Health and Care Act 2022
2. The Mental Capacity (Amendment) Act 2019 introduced the Liberty Protection Safeguards. Implementation was originally scheduled for 1 October 2020, however, it was postponed by the Government due to the COVID-19 pandemic. The safeguards are intended to ensure that people who lack the capacity to make decisions about their own care and treatment are not unlawfully deprived of their liberty.
 3. In September 2021, the Government published *Build Back Better: Our plan for health and social care*. This policy paper sets out a number of Government initiatives designed to strengthen the NHS and social care as we move forward and recover from the pandemic and its consequences.
 4. In December 2021, the white paper, *People at the Heart of Care*, was published, setting out a 10-year vision for the transformation of support and care in England. The vision puts people at its heart and revolves around 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.
 5. February 2022 saw the publication of *Health and Social Care Integration: Joining up care for people, places, and population*. 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.
 6. The Health and Care Act received Royal Assent in April 2022 and introduces significant reforms to the organisation and delivery of health and care services in England, including:
 - return of CQC assessment of local authority Adult Social Care services
 - changes to Hospital discharge requirements
 - duty to co-operate between NHS bodies and local authorities
 - a cap on care costs (Amendment to the Care Act 2014)
 - information-sharing and standards across health and social care
 - Secretary of State's default powers in relation to Adult Social Care

Current Position

7. An Adult Social Care Transformation Board has been set up to oversee the implementation of the reforms. There are three sub-boards in place, each chaired

by the relevant senior officers:

- **Finance:** has oversight of funding and budgeting as well as systems and data. This board oversees work on the delivering the 'Care Cap.'
- **People:** oversees policy, practice and learning and development. This board is responsible for preparation for CQC Assurance on local authority Adult Social Care services.
- **Commissioning and Partnerships:** has oversight of Care Markets, Equalities and Communications. This board has responsibility for the market sustainment plan.

8. Further details of the Transformation Programme Board and timeline can be found in Appendix 1.
9. The reform will have a significant impact on the Adult Social Care infrastructure. The Transformation Programme Board will manage the requirements, realigning City of London Adult Social Care to meet the legislative change. A programme manager is in place to set out the delivery of the reform and identify the resources required.
10. Capacity to implement the reforms is being sourced through a mixture of internal upskilling, as well as external expertise brought in as and when required. Implementation costs for 2022/23 are being met through existing grant funding. Uncertainty remains around the level of additional central government grant funding that will be allocated to the City of London for the reform implementation and delivery costs for 2024/24 onwards.
11. A new CQC assurance framework will impact on systems and processes for recording and performance reporting. The associated CQC assurance reports will be published.
12. The People Sub-group is overseeing a programme of CQC inspection preparation. A review of the draft criteria for CQC inspections has been undertaken and evidence is being collated against this. A full self-assessment will be completed following publication of the final framework, outlining plans to improve or enhance our evidence against the framework. A dedicated Principal Social Worker for Adults has been appointed in line with the Targeted Operating Model to lead on Quality Assurance for the service, using the Children's Social Care model.
13. Charging reform and the introduction of the lifetime 'Care Cap' will bring increased complexity in the financial assessment process, necessitating new assessment and monitoring systems. Current modelling is being undertaken to estimate the level of expected increase in referrals to Adult Social Care, as people who fund their own care and support request Care Act assessments to register themselves for the cap on care.
14. System options to meet the requirements of the care account are currently being researched, and an options paper is due in November 2022. Costs for the procurement of a solution are expected to be met from Government's grant

funding in 2022/23. Modelling data is currently being collated for an impact assessment of those unknown self-funded residents who may wish to open a care account. Policy and practice around the Care Act assessment and financial assessment is being reviewed in line with care account requirements.

15. Processes are being reviewed alongside the required data system changes to identify leaner, smarter ways of working, with a view to minimising additional resource requirements that reform may have on adult social care.
16. As part of their commitment to the reforms, the Government produced the policy document *Market Sustainability and Fair Cost of Care Fund: Purpose and conditions 2022 to 2023*. This outlined the grant funding available to meet the current implementation costs of reform and the conditions for further funding for the following three years. As part of the requirements, the City of London will complete a provisional three-year market sustainment plan by February 2023.
17. Work has been undertaken with the DHSC regarding the Market Position Statement, and with other local authorities to benchmark the fair cost of care and future sustainability of City's care market. A draft Market Sustainability Plan has already been submitted to the DHSC for initial feedback prior to completion in February for publication on the City of London website.
18. There is no new date set for the postponed implementation of the Liberty Protection Safeguards, which increase the scope of the original legislation. There will be a training requirement that will impact on resources, including the introduction of new registered role of Approved Mental Capacity Professional. The detail around the training and registration for this role will follow the Government's publication of a new Code of Practice, expected this coming winter. A City of London impact assessment undertaken in 2021 will be reviewed and updated following the publication.
19. The People sub-board is overseeing the finalisation of a City of London Hospital Discharge Model in line with Government guidance and based on local data. This is expected to be completed in November.
20. As the transformation programme progresses, update reports will be provided to the Committee as appropriate.
21. **Financial implications:** In September 2021, the Government announced the Health and Social Care Levy to fund increases in costs associated with Adult Social Care reform. In September 2022, the Government announced the cancellation of the Health and Social Care Levy. There is sector-wide concern around the financial implications of Adult Social Care reform and the level of future central government funding. As funding details currently remain unclear there is the risk of a shortfall in funding, this risk will be monitored by the Finance sub-board.
22. **Resource implications:** The extent to which the combined programme of reform will impact on Adult Social Care resources will be determined by the detail of forthcoming government publications and announcements.

23. **Legal implications:** This is a legislative change crossing the services of Adult Social Care, Children and Families, Education and Early Years alongside commissioned providers. City of London will need to ensure that there is legislative compliance.
24. **Risk implications:** The CQC assessment of local authority Adult Social Care services represents a potential reputational risk, subject to the publication of the final assessment framework.
25. **Equalities implications:** The Government has conducted Equalities Impact Assessments on all the reform. Additional Equality Impact Assessments will be completed as part of the City of London Transformation Programme.
26. Climate implications: N/A
27. Security implications: N/A

Conclusion

28. The breadth of reform impacting on Adult Social Care carries with it a level of reputational, legal, and financial risk over the next few years. The City of London has put in place a programme structure to effectively deliver the reform. There remains a level of uncertainty across the Adult Social Care sector regarding future funding of the reform.

Appendices

- Appendix 1 – Transformation Programme Board and Timeline.

Background Papers

- [*Health and social care integration: Joining up care for people, places and populations*](#)
- [*Build Back Better: Our plan for health and social care*](#)
- [*Adult Social Care Reform white paper, People at the Heart of Care*](#)
- [*Health and Care Act \(2022\)*](#)
- [*Mental Capacity \(Amendment\) Act 2019*](#)
- [*Market Sustainability and Fair Cost of Care Fund: Purpose and conditions 2022 to 2023*](#)

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