



Wolverhampton Trailblazer

Update to Scrutiny

05 July 2022

Health and Care Reform – The objective

Fair cost of care reforms

Local authorities can use their position as a large purchaser of social care to obtain lower fee rates from care providers, which can be less than the cost of providing the care. To compensate, providers often attempt to cross-subsidise by charging more to people who fund their own care. The Government says this leads to market failure and has announced two measures to address the issue:

- Provisions in the Care Act 2014 will be brought into force enabling self-funders to ask their local authority to arrange their care for them so that they can benefit from lower rates.
- £1.4 billion will be provided to local authorities over the next three years to support them to increase the rates they pay to providers where necessary (move towards a “fair cost of care”).

Health and Care Reform – The objective

Cap on care costs

From October 2023, the Government plans to introduce a new £86,000 cap 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.

Changes to the social care means test

From October 2023, the Government proposes to make the means test for accessing local authority funding support more generous. The upper capital limit (the threshold above which somebody is not eligible for local authority support) will increase from £23,250 to £100,000. The lower capital limit (the threshold below which somebody does not have to contribute towards their care costs from their capital) will increase from £14,250 to £20,000.

Purpose of Trailblazer

This is to give the Department of Health and Social Care (DHSC) an opportunity to test how the reforms would work in practice and identify and share best practice across all LAs ahead of national roll out.

- the £86,000 cap on personal care costs (no later than January 2023),
- enhanced lower and upper capital limits of the means test (£20,000 and £100,000 respectively) (no later than January 2023); and,
- the creation of a care account for individuals with eligible care needs.
- implement the cap on care costs and changes to the means test capital limits between April 2022 and September 2023.

Purpose of Trailblazer

In addition to implementing the statutory requirements, CWC will (conditions providing) implement the following non-statutory requirements:

- To adopt the approach for commencing s.18(3) of the Care Act to meet an adult's needs for care and support when requested, even if the adult has financial resources above the financial limit, for example by commissioning care on their behalf.
- Assess market sustainability requirements considering reform ahead of early go live on the statutory requirements. This will involve conducting a fair cost of care exercise and using its findings to create a market sustainability plan, ahead of 2023/24, as well as making progress towards paying a fair cost of care in 2022/23.
- To begin preparing for the early assessments of self-funders and implement the cap on care costs and changes to the means test capital limits between April 2022 and September 2023.

Progress to Date

- An IEDN has been approved to enable the budget available to the project to be released to provide the capacity and skills required. So far:
 - 3 agency social workers have been recruited to support the assessment of self-funders
 - a data analyst has been recruited to support the new data requirements
 - a finance manager has been recruited to support financial analysis
 - A consultant has been recruited to support the cost of care exercise
- Engagement with providers to recruit them to cost of care exercise and the identification of self-funders.
 - Home care providers – a sample that includes large nationals as well as local providers.
 - Care home providers – providers have registered to use the cost tool
 - Self-funders – A number have been identified. Estimates would put the full total above 1000 plus those receiving care from providers registered outside of Wolverhampton (extra 10-15% estimate)
- Care Account – pending receipt of the DHSC specification, an internal interim solution is being developed within CareFirst to capture the care and financial eligibility information from self-funders

Project Risks – Trailblazer risks

Risk	Description	RAG	Mitigations
Time constraints	the MOU with the DHSC sets out a very tight timeline for delivery		Pushback on date set for data return accepted
Resource constraints	the project requires significant resources to be allocated to it. There is a risk that if the skills and expertise are not available, this will negatively impact on the project's quality and ultimately its delivery.		Continued to push recruitment, social work staff and reform specialist on board
Technical tools required	the technical solution required to establish an interim care account and new means-test tool in CareFirst will need to be transferable into Eclipse.		Currently we still await the specification for the proposed MVP
Provider engagement	not having sufficient engagement risks not having sufficient, quality information to understand the current market, the cost of delivering care services and the number of self-funders		Forums, comms and ring arounds resulted in improved returns

Wider Risks and Issues for the Council – implementing the reforms

- **Affordability** – the initial analysis of the provider returns suggest for home care, that the median hourly cost is significantly above what we currently pay, as part of the reform we will have to produce a market sustainability plan without knowing the settlement from government – legally impossible as we cannot sign off a plan that risks being in breach of a balanced budget.
- **Legal challenge** – some services that people currently pay for may not be considered as eligible to meter towards the care cap and this may lead to challenges
- **Market sustainability** – self-funders will be able to ask the council to procure their care at the agreed fair cost of care which may be significantly less than they might pay currently. This could lead to some providers becoming financially unviable especially those that have a higher proportion of self-funders

Wider Risks and Issues for the Council – implementing the reforms

- **Wider workforce** – The changes in processes and the potential increase in the numbers of people the council will need to help will have an impact on adult services and support services such as finance, IT and Insight & Performance
- **Managing expectations** – the publication of the median fair cost of care could raise expectations of providers that market rates will rise significantly. Also self-funders may expect that metering towards the care cap will be based on the fair cost of care when in fact it will be their PB/IPB

Mitigations and Assurance

- Internal project group with key stakeholders including finance and IT
- West Midlands Association of Directors of Adult Social Services (WMADASS) have provided support with financial / policy expertise
- All trailblazer DASS' in contact without DHSC present to share issues / concerns learning
- Policy changes are being worked on and timelined to go through Cabinet in November
- There is a 'go / no go' point for the trailblazer work in November - ***note this only mitigates an early implementation of the reforms***

Timeline

Adult Social Care Reform Trailblazer - High-Level Project Plan - Version 24/06/22

Start Date: 01.04.22

End Date: 31.03.23

Key

Reflects a missed task or milestone (a task or milestone with a finish date in the past)	
Reflects a slipped task or milestone (where the baseline date is likely to be exceeded)	
Reflects a task or milestones that is on target to complete on or before its baseline finish date	
Reflects a 100% completed task or milestone	
Reflects a task or milestone that is yet to be baselined/agreed	
Review point with DHSC	

Ref	Workstream	Task	Milestone ●	Start Date	Target Date	Complete Y/N	2022												2023
							Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan			
	Fair Cost of Care	Cost of Care Analysis	Submission date to DHSC	01.04.22	22.07.22														
		Cost of Home Care Exercise																	
		Identify participating providers and support required			04.05.22	13.05.22	Y												
		Returns returned			30.05.22	17.06.22													
		Completed returns analysed			20.06.22	08.07.22													
		Cost of Care Homes Exercise																	
		Identify participating providers and support required			23.05.22	10.06.22	Y												
		Returns returned			15.06.22	24.06.22													
		Completed returns analysed			15.06.22	08.07.22													
		Market Sustainability Plan	Submission date to DHSC	06.06.22	22.07.22														
		Spend Report	Submission date to DHSC		14.10.22														
		Internal Approvals																	
		SEB			19.07.22														
		Scrutiny			TBC														
		Cabinet Resources			16.11.22														
	Care Cap	Systems/Processes																	
		Care Account creation			01.04.22	31.08.22													
		Explore, agree and implement interim solution			29.04.22	30.6.22													
		Explore, agree and implement long tem solution			01.04.22	TBC													
		Implement cap on care and new capital limits			01.04.22	01.01.23													
		Identification and quantification of self funders			01.04.22	31.08.22													
		Early Assessments commence			01.09.22	TBC													

Questions