

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ADULT CARE AND HEALTH SERVICES

TO:	ADULT SOCIAL CARE, CHILDREN'S SERVICES AND EDUCATION COMMITTEE		
DATE:	5 NOVEMBER 2015	AGENDA ITEM:	16
TITLE:	CARE ACT IMPLEMENTATION UPDATE - NOVEMBER 2015		
LEAD COUNCILLOR:	COUNCILLOR EDEN	PORTFOLIO:	ADULT SOCIAL CARE
SERVICE:	ADULT CARE	WARDS:	BOROUGHWIDE
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1. PURPOSE AND SUMMARY OF REPORT

- 1.1 This report provides a reminder summary of the duties set out in the Care Act 2014 ("the Act"); and Reading's Adult Social Care Service response and performance against them in relation to those parts of the Act which came into effect from April 2015.
- 1.2 At quarterly intervals Local Authorities are asked to complete a 'Stocktake' of their performance in relation to the Care Act and this information is shared with the Department of Health and the Association of Directors of Adult Social Care (ADASS). The performance presented in this report represents Reading's response to the latest stocktake.
- 1.3 This report also provides an update on the timings of the Funding Reform changes (Phase 2 of the Act) as these have now been delayed. Provisions in relation to a cap on care costs and the offer of care accounts to people who fund their own care have now been postponed until 2020.

2. RECOMMENDED ACTION

2.1 That the Adult Social Care, Children's Services and Education Committee:

a) notes the performance of the Council thus far in relation to the changes implemented in April 2015 in order to comply with the Care Act; and approves the next phase of transformation actions.

b) notes the ongoing risks to the budget and resources required to deliver on these increased duties and approves the actions necessary to deliver a balanced budget.

c) notes the change of timing of the funding reforms (Phase 2 of the Care Act) which will be introduced from April 2020 and requests a subsequent report on the consequences of this deferral and the actions needed to support people needing care.

3. BACKGROUND

3.1 The Care Act updates over 60 years of law on Adult Social Care in England. The changes affect how councils support people with care and support needs - whether they get support from the Council or not - and carers. Most of the changes came into effect in April 2015. There were some changes to funding for care in 2015, but the rest of the funding reforms (such as the introduction of a cap on the amount that someone pays for their care costs) have been postponed and they are now due to start from April 2020.

3.2 Part 1 of the Act focuses on Adult Social Care reform. The main provisions are as follows.

- Local authorities now have a broader care and support duty in their role with their local communities, with an emphasis on preventing care and support needs from increasing.
- Councils have new duties to consider physical, mental and emotional wellbeing and to provide information to those needing care.
- Eligibility for Adult Social Care is determined on the basis of national criteria in place of locally determined thresholds.
- Unpaid/informal carers now have 'parity of esteem' with those they care for, meaning that more carers are entitled to an assessment of their own needs and local authorities are under a new duty (in place of a discretion previously) to meet carers' own eligible needs for support. There is also an opportunity for Local Authorities to charge for services provided to carers.
- The Care Act gives councils new obligations to shape the local care market (ensuring capacity and diversity, and demonstrate value for money) so as to promote quality and choice.

- 3.3 The second part of the Act relates to care standards, providing the Government's legislative response to the Francis Inquiry into the failings at Mid-Staffordshire hospital. The third part of the Act establishes two new non-departmental bodies - Health Education England to oversee education and training for health care professionals, and the Health Research Authority to 'protect and promote the interests of people in health and social care research'. The fourth part of the Act contains technical matters.

4. PREVENTION AND INFORMATION AND ADVICE

- 4.1 The Care Act gives councils new responsibilities to make sure that people can access services that prevent their care or support needs from becoming more serious, and get the information they need to make good decisions about care and support.
- 4.2 The Council supports people to stay well and independent through its own services including those of Public Health. A number of Public Health initiatives focus on prevention and improving the health of the wider community, these include: smoking cessation services, increasing physical activity - such as Beat the Street, health checks and support of voluntary sector and other providers of services to raise awareness of health and well-being issues and/or to provide direct support to clients. We have recently introduced monthly performance review of public health-commissioned services to enable us to learn from better-than-expected outcomes and to correct poorer ones more quickly than before. In turn, this will enable us to learn from success and apply it to other work and to, overall, make greater contributions to improving people's well-being. Furthermore the new Joint Strategic Needs Assessment for Reading (April 2016) will, because of its level of detail of data and analysis, enable a variety of services and initiatives to be better targeted in future.
- 4.3 A key tool for supporting the Council to meet its responsibility in this area is the Reading Services Guide (RSG)¹. Officers continue to improve the RSG by enhancing the existing information and expanding the number of entries available. Reading works closely with providers to support them to maintain their entries as this is a useful marketing tool for them to advertise their business. This is particularly important as the Council continues to promote the use of Direct Payments. The number of unique visits to the RSG continues to grow. From April to September the average number of visits per month to the RSG was 43,428 in 2015 compared with 36,367 from the same period in 2014.
- 4.4 Although the RSG is well utilised officers will continue to develop the information and how it is presented over the coming months. A recent survey carried out during the Summer sought feedback from residents and service providers on the Reading Services Guide. On average 92% of those surveyed

¹ An online tool providing information about care and support and other local provision for residents. The information is available in other formats and is often used as a basis for sending tailored information by post or at a person's own request as a text message.

thought that the information contained in the Reading Services Guide was easy to understand, accurate and up to date and useful and appropriate. 32% of those surveyed said that they would like to see even more information available on Reading Services Guide. We have introduced a 'You Said - We did' feature to inform people about what we will do in response to their feedback. In addition, at a recent Adult Social Care Staff conference Officers were asked to feedback on their experience and ideas for improvements.

- 4.5 Reading published an Adult Social Care Information and Advice Plan, in relation to the Care Act, detailing the updates and enhancements that were required to our information and advice provision to meet our statutory duties. Various initiatives detailed in this plan have been actioned and they will continue to be developed. An updated version will be published in March 2016 utilising information from the Joint Strategic Needs Assessment Position Statement which will help us to further understand our target audience and identify areas for further development.
- 4.6 Specific work has been carried out to identify information required at key decision points in a person's life. This has been achieved through ongoing engagement with partners, service users, family members and carers to identify priority information at these decision points, where people receive this and the methods used (e.g. face to face, online, by phone). Most recently we held a targeted event with residents, service users and carers called "How can we best give people information and advice about care and support?" where we tested information within various scenarios. The results from this event will inform updates to our information offer across leaflets, website and RSG and changes will occur over the next 6 months in line with corporate timescale to refresh information. Ongoing work with partners in relation to information and advice supports consistent messaging and the opportunity to rely on partners to be a conduit for information. We are looking to benchmark our performance on the impact of our information and advice, by utilising both quantitative and qualitative tools, to include service user feedback from mystery shopping.
- 4.7 There has been extensive consultation over the summer months to develop the 'narrowing the gap framework which includes 5 wellbeing themes so as to re-commission community based support to help people stay well and independent and support our ability to meet the wellbeing duty set out in the Care Act. These themes are:
- Help to navigate care and support services
 - Self advocacy and peer support
 - Supporting carers to take breaks and enjoy a life outside caring
 - Reducing the impact of illness
 - Connecting people and communities to reduce loneliness

Voluntary and community groups have been supported to develop new partnerships and approaches to help maximise the preventative impact on the services they offer.

In terms of evidencing our ability to meet the wellbeing duty set out in the Act, we are continuing to develop a local wellbeing strategy which will be complimentary to the Council's Health & Wellbeing Strategy. The Wellbeing principle is something that a whole range of Council services can support and therefore the Strategy will ensure that across the full range of our corporate functions we recognise our new duties under the Act and are making the most of our range of contacts to support local citizens and their wellbeing. This strategy is required by Care Act regulation and is intended to be presented to the Health & Wellbeing board in January 2016 and ACE in March 2016 to complete out legal requirement.

- 4.8 We continue to look at ways of measuring the impact and effectiveness of linking residents with preventative services. Within Adult Social Care we are planning to trial a new way of working with service users which adopts a '3 tier conversation model'. This initiative is called 'Right for you'. This model promotes having different conversations with service users which connects them to their local community and resources and supports them to help themselves. At times when people need help, for example in a crisis or if short term help is required, it provides immediate support in a timely way. Longer term support where required, continues to be available via a personal budget.
- 4.9 The Right for You approach will capture the number of 'conversations' where service users are connected to local resources and do not require any further support and thus a preventative offer was made. This will help us understand what is happening at the front door, what support was most effective, how many people are receiving preventative support and how many come back into Adult Social Care requiring further support following preventative input. A separate report deals with the issues for consideration in relation to the ability to charge for elements of these services.
- 4.10 To drive up the performance of the various preventative information and advice that we commission externally we are re-commissioning provision against a new Framework within which outcomes and performance indicators have been coproduced with a third sector partner. The shared intention is to deliver high quality consistent information and advice across the Borough to minimise the need for further recourse to formal care services. This will include continued development alongside the Reading Advice Network (RAN) to develop a local kitemark for quality information and advice again to promote consistency and also to increase public confidence in Reading's information and advice offer.
- 4.11 To meet the Council's statutory obligation for offering independent financial advice the Council has entered into a partnership arrangement with

MyCareMyHome to provide this support². In the first 6 months of this Financial Year (April to end of September 2015), 36 referrals have been made to the service. Of those referrals 6 people chose to go on to access specialist independent financial advice which they paid for themselves. A rolling awareness campaign of events is taking place including staff drop in sessions and information stands at various events including Older Peoples Day, Carers Rights Day and the Care and Support conference. In addition Officers led extensive training with the provider to enable them to understand our service offer, places to access further information and details our preventative services to increase awareness and consistency of message. This is an extremely valuable advice service and it is recognised that there is more work to do to increase the referral rate to ensure Reading residents understand their financial entitlements and can discuss their general financial matters (including Welfare Rights). The uptake will be closely monitored and measured through case audits and supervision.

5. ADULT SOCIAL CARE ASSESSMENTS AND ELIGIBILITY - FOR PEOPLE WITH SUPPORT NEEDS AND CARERS

- 5.1 From April 2015, eligibility for Adult Social Care has been determined against a national standard. The new national eligibility threshold had been described as “broadly similar” to the “substantial” threshold which was applied in Reading pre April 2015. However, a desktop review of cases indicated that more people would be eligible for Adult Social Care than were previously once the new threshold was applied. This exercise also showed that people with lower levels of need could have those needs met through professional support or signposting to other sources of information and advice.
- 5.2 From April 2015 new assessment tools have been used to determine & record eligibility and the impact on a person’s wellbeing based on the new national criteria. People making contact with Adult Social Care for the first time are offered a self-assessment option or the opportunity to be put through to an advisor to discuss their situation straight away. If people are shown to be ineligible for Adult Social Care support at this stage they are provided with information and advice about services available in the community that could support them, including information on accessing the Reading Services Guide so they are equipped to make their own future enquiries. Equally, if someone is eligible for support, preventative services are still considered as part of the whole package of care.
- 5.3 The numbers of completed assessments since 1st April 2015, and of those the number of eligible services users, is presented below. This incorporates last year’s activity as a comparison. The numbers of assessments had decreased in the first two months of the financial year compared with last year, however this seems to have stabilised and we are now generally showing an increase in the number of assessments compared with last year. With 6 months data it is now clear that we are seeing an impact of the national eligibility criteria as

² This service is available to people who are signposted to My Care My Home from the Council and to Reading residents who approach My Care My Home direct.

the numbers of those eligible for services compared to last year has increased from an average of 79% per month to 88%. (Potential financial implications of this are noted in section 13.2.2).

Eligibility		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Number of clients with completed SARD assessments	2014/15	154	149	162	136	152	169	152	142	118	172	175	216	1897
	2015/16	117	135	188	151	159	155							905
Number of people assessed as eligible for services	2014/15	118	111	124	119	130	138	117	109	90	106	142	197	1501
	2015/16	81	103	174	135	152	139							784
Percentage of people assessed who are eligible for services	2014/15	77%	74%	77%	88%	86%	82%	77%	77%	76%	62%	81%	91%	
	2015/16	81%	90%	90%	90%	87%	90%							

- 5.4 The Care Act introduced new rights to independent advocacy in certain circumstances to enable people to fully engage in the social care process. The local authority must arrange to provide this independent advocacy where someone would experience 'substantial difficulty' in being involved in an assessment, review or support planning and there is no one appropriate who is available to support them. 'Substantial difficulty' can relate to understanding relevant information, retaining information, using or weighing the information or communicating views and wishes. From the 1st April to the 30 September 2015, 26 people have accessed this service, please note breakdown as follows:
- 14 have been younger adults with a learning disability and/or physical disability
 - 7 were older people
 - 5 have been adults with a mental health issue

Service users accessing the service have presented with complex cases which have taken longer than anticipated in some cases. This has prompted the provider in consultation with the Council to seek to recruit additional advocates and to provide additional training to existing advocates to help manage the complexity.

Based on modelling referenced in the previous report we anticipated a requirement of 4,346 hours of independent advocacy at an annual cost of £130,369. The 26 people have required 170 hours thus far at a cost of approximately £5099, therefore demand is well below what we would expect. Reading Voice³ in partnership with the Council continues to utilise various events to publicise the service including Carers Rights Day and the Care and Support conferences to raise awareness of the new entitlement. Ongoing monitoring of this is required to ensure the low numbers do not indicate that this has not been embedded into care management practice. The performance would suggest that referrals for advocacy are particularly low whilst someone is involved in safeguarding processes. This will be addressed through focussed work within the teams on operating procedures and roles and responsibilities of staff in relation to safeguarding and will be reported next time.

³ The Independent Advocacy Service commissioned by the Council facilitated by Healthwatch in conjunction with partners.

- 5.5 Under the Care Act, any adult carer of another adult is entitled to a carer’s assessment on the appearance of need (and young carers, and carers of children with additional needs, acquire parallel rights but these are predominantly set out under the Children and Families Act 2014 rather than the Care Act). The Council anticipated a significant increase in the volume of carers’ assessments following the national rule changes as awareness of the new rights should bring more carers into contact with the local authority. In addition, the Care Act required local authorities to be more proactive in identifying carers and offering carers’ assessments. This continues to be being taken forward operationally as a standard part of the process but also through wider public and partnership work, including publicity and events at Carers Week (8th to 14th June) and planned activity for Carers Rights Day in November. The increase in numbers presented below suggests that awareness is certainly increasing.
- 5.6 The Act set out national eligibility standards for carers for the first time and gives carers the right to services in their own right if they meet the national criteria. Prior to April 2015, Reading already offered direct support to carers in the form of a Direct Payment scheme based on ‘banding’ the impact of caring. A similar approach has been retained as one of the ways in which eligible carers can have their support needs met now. The Council continues to offer a range of services to promote carer wellbeing, keeping processes proportionate from very light touch through to more detailed support planning for carers with more complex needs. It is anticipated that meeting the new duties will increase the number of carers in touch with the local authority in due course and additional resource has therefore been secured to meet this demand.
- 5.7 The numbers of completed carers assessments, and of those the number of eligible carers, is presented below. This incorporates last year’s activity as a comparison. With 6 months data to analyse it is clear that we have seen an increase in the numbers of carers coming forward for assessments. On average we are completing 82 carers assessment per month compared with 42 per month last year. Of those carers assessed we have noted a broadly similar number that were deemed eligible for services across the period. The increase in assessments was expected and would suggest that with the support of publicity and ongoing conversation more Carers are understanding their rights and presenting for an assessment/services. Usually we see an increased uptake at the end of Carers week in June and Carers rights day at the end of November. We will continue to monitor this trend.

Carers		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Number of carers assessed	2014/15	59	50	39	60	39	44	43	26	33	27	30	59	509
	2015/16	47	79	89	76	117	86							494
Percentage of carers eligible for services	2014/15	86%	84%	87%	85%	85%	91%	91%	81%	85%	81%	97%	83%	86%
	2015/16	79%	80%	72%	83%	83%	93%							

- 5.8 In terms of the financial impact of this, the Council has issued 289 Personal Budgets to Carers from April to the end of September 2015, we had issued 201

during the same period last year. This represents a total spend this financial year of £70,532 compared with £37,950 during the same period last year. Carers this year are receiving an average Personal Budget of £244 compared with £189 last year. This increase in spend was expected and the budget has been adjusted accordingly. Due to the potential financial impact this is being closely monitored to ensure all packages are effective, efficient and proportionate.

- 5.9 To provide assurance that regular case audits are undertaken to ensure all new duties in the Act are embedded into practice. Case audits were carried out in June and repeated in August to assess Care Act compliance against 5 key areas in the Care Act. The audits will be repeated in January 2016. The audits highlighted that although there is further work to be done to embed some key Care Act principals, there has been some improvement. Notable improvements are the number of carer assessments being carried out has increased from 40% in June 2015 to 57% in August 2015 and the number of service users being offered prevention, information and advice has increased from 53.5% to 69%. Further improvements are required to fully embed the principal of wellbeing and asset based Care and Support planning.

We need to consider how wellbeing impacts on a person's ability to achieve their own goals and outcomes, most especially in preventing the need for further care. The teams are working to further improve their performance by using an audit prompt tool, through team meetings and by individual case discussions and feedback. Right for You and the Wellbeing strategy will further enhance integrating wellbeing and asset based care and support planning into social care practice. The Care Act audits in January 2016 will guide whether further measures need to be put in place, in addition to those outlined, to support improvement in performance.

- 5.10 Resources have been re-aligned across the Adult Social Care System to manage the anticipated additional demands of the Care Act as a result of the change in eligibility criteria for adults and their carers, the additional information and advice requirements and the administration of services resulting from the new rights for Carers. These resources are being moved across the system to manage the additional demands and temporary posts being kept under review.

6. MARKET SHAPING & DUTY OF CANDOUR

- 6.1 The Care Act gives councils new obligations to shape the local care market so as to promote quality and choice. Reading's first Market Position Statement (MPS) for Adult Social Care was developed with providers and users of services as a key part of meeting the Council's new market shaping obligations. This is a key document for assessing the readiness of the market to meet the assessed needs of the community, and to identify areas for development. We are committed to refreshing the MPS for 2016-17 and the Council's Commissioning Intentions (i.e. what RBC will wish to purchase in terms of capacity and specification, at specific quality standards) will form part of the refresh. Both documents will be co-produced with Health colleagues and presented to the January Health and Wellbeing Board. Market

Position Statement Reference groups have been formed and meet quarterly. There have been 2 meetings to date focussing on key issues of the moment. The first focused on recruitment and retention in the market and resulted in a jointly owned action plan. The other looked at the implementation of the Living wage and the Ethical Care Charter. The next reference group meeting in December will focus on the MPS refresh.

- 6.2 The Care Act requires councils to create a provider failure strategy to address the issues that arise when a key provider in their area is failing due to financial or quality issues. Locally a Home closure protocol is in place but is being further developed to include business continuity plans for key providers by the end of the financial year. This duty could also be met as a Berkshire West initiative and these discussions are still taking place with plans in development.
- 6.3 Regulations made in October 2014 placed NHS bodies under a Duty of Candour to patients. This duty has now been extended to all providers registered with the Care Quality Commission (e.g. residential homes and home care providers), including those in adult social care. The duty of candour is to “act in an open and transparent way with relevant persons in relation to care and treatment provided to service users in carrying on a regulated activity.” If a “notifiable safety incident” occurs, relevant persons must be given full detail (in person, and followed up in writing), an apology and support.
- 6.4 In the adult social care context, a ‘notifiable safety incident’ is a serious incident resulting in death, impairment, prolonged pain or prolonged psychological harm. The duty does not specifically extend to notifying service users who have not been directly affected, but CQC Guidance requires providers to “promote a culture that encourages candour, openness and honesty at all levels. This should be an integral part of a culture of safety that supports organisational and personal learning.” Providers are required to have systems in place for handling notifiable safety incidents.
- 6.5 The council is a provider, so the duty equally applies to RBC and work is underway with managers to ensure this duty is embedded into local policies and practice. This is still at an early stage and will need to be monitored by Service Managers. It is anticipated that the existing notification of Health and Safety incidents process will be adapted for use and will be reported at the monthly ASC performance board. Any required changes to policies and practice will be noted by the board and actions taken to update, notifying the ASC lead member on a quarterly basis through Lead Cllr Briefing. With regard to external providers we have been raising awareness of this Duty at contract & quality monitoring meetings and quarterly Care & Support conferences. As committed Reading has written to all providers about the requirements and our expectations in relation to them as well as updating our Quality Monitoring Policy to reflect the duty. The September Care & Support Conference had a dedicated workshop focussed on the Duty of Candour led by the Care Quality Commission which was well attended by providers. This duty will continue to be monitored.

7. CHARGING FRAMEWORK FOR SOCIAL CARE

General

- 7.1 The Care Act repealed the previous legislation which gave local authorities the power to charge for services, but allowed the Council to continue to operate a charging system based on the Act alongside the Care and Support (Charging and Assessment of Resources) Regulations 2014. As noted in the paper presented to the Committee in March 2015 and June 2015 a Reading Borough Council Care and Support Charging and Financial Assessment Framework (2015) (“the local Charging Framework”) has been developed accordingly, drawing on stakeholder engagement and feedback, and incorporating:
- o Deferred Payment Agreements Policy
 - o Interim Funding Policy
 - o Choice of Accommodation and Additional Payments Policy
 - o Charging and financial assessment policies for care and support (in care homes and non-residential care)
 - o Charging schedules relating to the above
- 7.2 The local Charging Framework replaced previous local policies. The new framework has been embedded into practice and is actively used to administer charging processes. As part of the normal process, we will benchmark our framework against other local authorities in the light of the financial challenge, and if RBC has been more ‘generous’ than other local authorities a separate report will set out any proposed changes to align to a regional standard

Choice of accommodation

- 7.3 The Care Act requires councils to set out people’s rights to choose more expensive accommodation than may be necessary to meet their assessed needs. These rights generally apply if there is someone else - other than the person needing the accommodation - who is willing to pay the difference between the assessed necessary cost and the actual care home fee. This difference is known as a ‘third party top up’.
- 7.4 The Council already allowed third party top up arrangements for people choosing a more expensive care home prior to April 2015 provided the third party had been assessed as able to meet the ongoing costs. The Care Act requires councils to extend their local choice of accommodation policies to other sorts of supported accommodation, such as Extra Care Housing or Shared Lives schemes. The Council’s Choice of Accommodation Policy has been updated to reflect this.
- 7.5 The Council continues to manage the administration of the third party top ups and details are recorded on our systems. This enables us to gain knowledge of provider rates and proactively manage situations where the third party top up can no longer be paid. It was acknowledged that more work was required to give us the assurance that the system is robust and people fully understand their options with regard to third party top ups and choice of accommodation. Internal workshops have taken place to review the messages and information

being given about choice of accommodation to services users. A guide 'script' has been prepared for Social Care colleagues to ensure full information is given about choices available. The Financial Assessment & Benefits Team continue to send a written record of the information and implications about choosing more expensive accommodation for all care homes financial assessment requests which include a form to sign to confirm that the implications have been explained.

Deferred payments

- 7.6 There are situations where someone needs to sell their home to pay for their residential care costs. (This usually doesn't affect family homes which are still occupied after one person moves into residential care by a spouse or a relative who is aged over 60 or is disabled). This means some people are able to put off the sale of their home in their lifetime by having an agreement that the Council pays towards their care home fees then reclaims the amount spent after the service user dies and their former home is sold (unless the debt is repaid in full from other means).
- 7.7 Under the Care Act, councils must offer a Deferred Payment Scheme and to a broader range of people than would have been eligible under the previous local scheme. Due to the additional costs which councils will incur in operating the new Deferred Payment scheme, Local Authorities have the power under the Act to make a charge which covers these costs. The fees charged from April 2015 for a basic Deferred Payments Agreement is £433⁴. This has been calculated to represent the full cost of recovery. If the case requires more legal work, or a formal valuation the cost will be more⁵. These rates will be reviewed annually, and members will receive a further report at the next update.
- 7.8 The Council didn't anticipate a large increase in the number of Deferred Payment applications from April 2015 because Reading already provided this service ahead of the Care Act mandate and had very few clients utilising deferred payments. Since April 2015 a deferred payment agreement has been agreed for two people. The Council have noted more requests under our discretionary Interim Funding Policy. This is where an individual lacks capacity to manage their finances or has no legally-appointed representative, & therefore can't apply for the Deferred Payment Scheme. However the individual may still require interim financial support until a family member, or Council Officer, has been appointed by the Court to act for that person, work is continuing to calculate the cost implications.
- 7.9 Work is continuing in order to embed internal processes for interim funding to ensure that Council decision on placements where Interim Funding is required are made with full knowledge of the financial risk to the Council. Work is also

⁴ A basic Deferred Payments Agreement is £433 = £350 legal costs plus £83 administration charge

⁵ Costs are detailed in the schedule of charges - http://www.reading.gov.uk/media/3167/Deferred-Payments---Schedule-of-Charges/pdf/Deferred_Payments_Schedule_of_Charges.pdf

continuing to ensure that we make best use of the MyCareMyHome service as referenced in 4.11, and training is planned in December around Deferred Payments, Interim Funding, and the information and advice that is needed to support people with decisions and facilitate access to financial and legal advice.

- 7.10 The National Association of Financial Assessment Officers (of which the Council is a member) is meeting in November and a small part of the agenda is given to 'universal DPA - 6 months on' and we hope this is an opportunity to gauge generally how other authorities have found Deferred Payments take up and share ideas.

People who fund the full cost of their care and support

- 7.11 People who have income or savings above the financial eligibility thresholds are responsible for meeting the full costs of their social care, apart from the free services that Local Authorities must provide e.g. assessment etc. People who self-fund their care can still approach the Council for information and advice about services, however, and there is no charge for this.
- 7.12 Under the Act, if someone has assessed needs which can best be met in their own home (rather than in residential care) then even though they may not be eligible for public funding towards those care costs, they can still ask their local authority to arrange their care. The Council has the power to charge for these services.
- 7.13 From April 2015 a charge has been implemented; a set-up fee of £182 and ongoing fees of £65 per year (full cost recovery). Three self-funders have made use of this service to date. It is difficult to determine whether this service will be utilised more fully going forward and therefore what the resource implications will be. It is possible that the delay in the implementation of the funding reforms have impacted on the number of self funders accessing Adult Social Care. This will be monitored closely and some focussed work with self funders will be scheduled to help us to understand why only a small number of self funders have accessed the service to date.

8. PHASE 2 OF THE CARE ACT - FUNDING REFORM CHANGES

General

- 8.1 A number of changes had been due to come into effect in April 2016 that would of changed the way a person contributed to the cost of their social care support including a cap on care costs which is a limit to how much people have to pay towards their care and support needs **over their lifetime**. In addition there were proposed changes to financial support as the Act increased the amount of capital assets a person could have (such as savings and investments) and still receive financial help so more people would of been eligible for financial help. A full analysis of the funding reform requirements set out in the draft

regulations were included in the last Care Act Implementation report in June 2015.

Postponement of Funding Reforms

- 8.2 In July 2015 it was announced that the Phase 2 changes would be delayed with a scheduled implementation date of April 2020. It was cited that the delay was as a result of the fact that further analysis was required to better understand the impact of the implementation but also considering the fragile financial position of Adult Social Care within Council's and the provider market. The delay provides an opportunity to allow Council's to further plan for the changes and undertake further analysis of the numbers of people who fund their own care that Council's might need to support in the future.
- 8.3 Officers had already commenced work to scope the Council's options for implementing the funding reform changes taking into consideration the resource implications. This work will continue but with adjusted timescales and be prioritised along with the number of other change initiatives currently taking place within the Service. The fundamental principles remain in that any proposed solution would seek to maximise technology, empower people to lead or be as involved in the process as possible, proportionate to the level of need and deliver the most cost effective outcome.

9. CONTRIBUTION TO STRATEGIC AIMS

- 9.1 The proposals outlined in this report are consistent with the Council's 3-5 Year Plan for Adult Social Care approved by Policy Committee in September 2014. Adopting the policies which are proposed to govern Care Act implementation in Reading will also contribute to meeting the following priorities set out in the Council's Corporate Plan 2015-18:

- Ensuring that all vulnerable residents are protected and cared for;
- Enabling people to live independently, and also providing support when needed to families;
- Ensuring care and support provision is effective and of good quality;
- Building capable communities for local people to become more involved and help themselves;
- Changing the Council's service offer to ensure core services are delivered within a reduced budget so that the council is financially sustainable and can continue to deliver services across the town; and
- Co-locating services with partners to have better joined up services and community hubs so that residents have better access to services.

10. COMMUNITY INVOLVEMENT

- 10.1 Further public engagement had been planned whilst considering the introduction of the funding reform changes originally scheduled for April 2016 but now postponed. This will need to be rescheduled later in the year, closer to the date when the final regulations will be published. In the interim

ongoing community involvement has taken place for specific areas of the Act as referenced earlier in the report e.g. for the Reading Services Guide and Information & Advice products.

11. LEGAL IMPLICATIONS

11.1 The Care Act received Royal Assent in 2014. It brought in new statutory duties for local authorities with social care responsibilities, and also conferred a series of powers on Local Authorities in relation to the provision of Adult Social Care. The previous legal framework governing Adult Social Care in England was repealed by the Care Act.

11.2 The provisions of the Care Act which came into effect in April 2015 are regulated by Statutory Guidance published in October 2014. The local policies and frameworks prepared for Reading are aligned with that guidance. Further Statutory Guidance has been published in draft for provisions which were to have taken effect from April 2016, but with the postponement of this date to April 2020 local policies will need to be developed closer to the time to meet these additional requirements.

12. EQUALITY IMPACTS

12.1 Members are under a legal duty to comply with the public sector equality duties set out in the Equality Act 2010. In order to comply with these duties, Members must seek to prevent discrimination, and protect and promote the interests of 'protected' groups.

12.2 An equality analysis was prepared for the April 2015 changes and a further analysis will be prepared and presented in relation to the Funding Reform changes now scheduled for April 2020, so that Members can give conscious and open minded consideration to the impact of the equality duty before taking further decisions.

13. FINANCIAL IMPLICATIONS

13.1 This report updates on how the Council has made substantial changes for the 2015/16 financial year in the implementation of the Care Act. From the 1st April 2015 this specifically related to the delivery of Carers Assessments and support; changing to a national eligibility framework, and changes to the charging framework. These matters have been implemented and the impacts of these are reviewed in the later parts of the finance section. The next major change was to be the early assessment of those who self-fund their care and support needs but these changes have now been postponed but this itself is causing concerns around the Care Act funding which is picked up in Section 13.5 Risks.

13.2 Revenue implications

13.2.1 The Council had reviewed the potential impact of the Care Act changes and whilst modelling was undertaken it is difficult to know what the true impact

of the changes would deliver. The Government accepted that Care Act implementation was a 'new burden' for local authorities, it provided two sources of funding (both of which are believed to be non-recurrent, i.e. for 2015-16 only):

- Care Act Implementation Grants (from DCLG). This is set out in the table below:

Early assessments revenue grant 2015-16	Deferred payment agreement revenue grant 2015-16	Carers and Care Act Implementation revenue grant 2015-16	Total
£325,912	£193,700	£131,697	£651,309

- Funding as part of the Better Care Fund. This provided a further £361,000.

13.2.2 Of the funding identified above:

- Carers and Care Act Implementation revenue grant 2015-16 (and the Better Care Funding):
 - The report identifies that the number of carers assessments have increased considerably
 - The amount paid in carers personal budgets has so far this year 15/16 almost doubled, however as this was anticipated the current level of funding from the grant and BCF is covering these costs.
- The deferred payment agreement revenue grant 2015-16 (and the Better Care Funding) this is being used on new deferred payments and interim funding support packages. At this stage (based on current activity forecasts) it is assumed that there is sufficient funding to cover current and expected costs, however this has started slowly and will require further review.
- Early assessment revenue grant - With the postponement of the second stage of the Care Act there is concern around this element of the Grant. Some expenditure had already been incurred due to the new eligibility criteria and starting to plan for reviews and additional case work. Currently it is not clear what the Governments plans are for the use of this part of the Grant. Further information is provided in the Risk section(13.5)
- The report identifies (section 5.3) that there is initial evidence to suggest the change in the national eligibility criteria is also having an impact on the Council. With 6 months' worth of data the numbers of those eligible for services compared to last year has increase from an average of 79% per month to 88%. The service is currently undertaking an analysis of the current financial pressures, but this change could be suggested as part of the reason for the increase in overall expenditure above available budgets.

13.3 Capital Implications

The Care Act itself does not come with capital funding. However, in order to deal with the substantial changes the Act required, the Council has upgraded its main electronic social care record system. There is an approved capital scheme for this and this is being funded from the social care capital grant.

13.4 Value for Money

The Council is currently reviewing its business processes in line with the implementation of an upgraded to the electronic social care record system (MOSAIC) and is focussing on the Care Act changes. Close monitoring of benchmarking market rates and full cost recovery options will be necessary to balance the available budget

13.5 Risk

The Care Act has been a significant change to the way that the Council is required to meet its statutory obligations for individuals requiring support from Adult services. The key risks that are highlighted from this report are:

- Modelling was undertaken (using national modelling assumptions) and this suggested an increased demand especially for carers services and this was higher than the number of residents who currently seek support from the Council. The Council has received the grants as identified in section 13.1 that will be used to support the changes, but this funding may not be sufficient (and is currently non-recurrent). From initial monitoring it would appear that there have been increases in Carers assessments and Carer personal budgets payments. Currently this is within budget but this could continue to increase and this is being carefully monitored.
- With the postponement of stage two of the Care Act there is uncertainty around whether the Care Act grant will be paid in full. It has been suggested that the Government may consult on a different use of the Grant but this has not been confirmed. Whilst this uncertainty continues it is difficult to plan for the use of this funding and there are risks at a time of increased services pressures.
- There are also significant risks for 2016/17 and the potential loss of the Care Act and BCF funding. Currently for Reading this comes to just over £1m and this could impact our ability to manage Carers and eligibility demand pressure going forward.