

Health and Adult Social Care Select Committee

Adult Services: Care Act

Tuesday 16th September

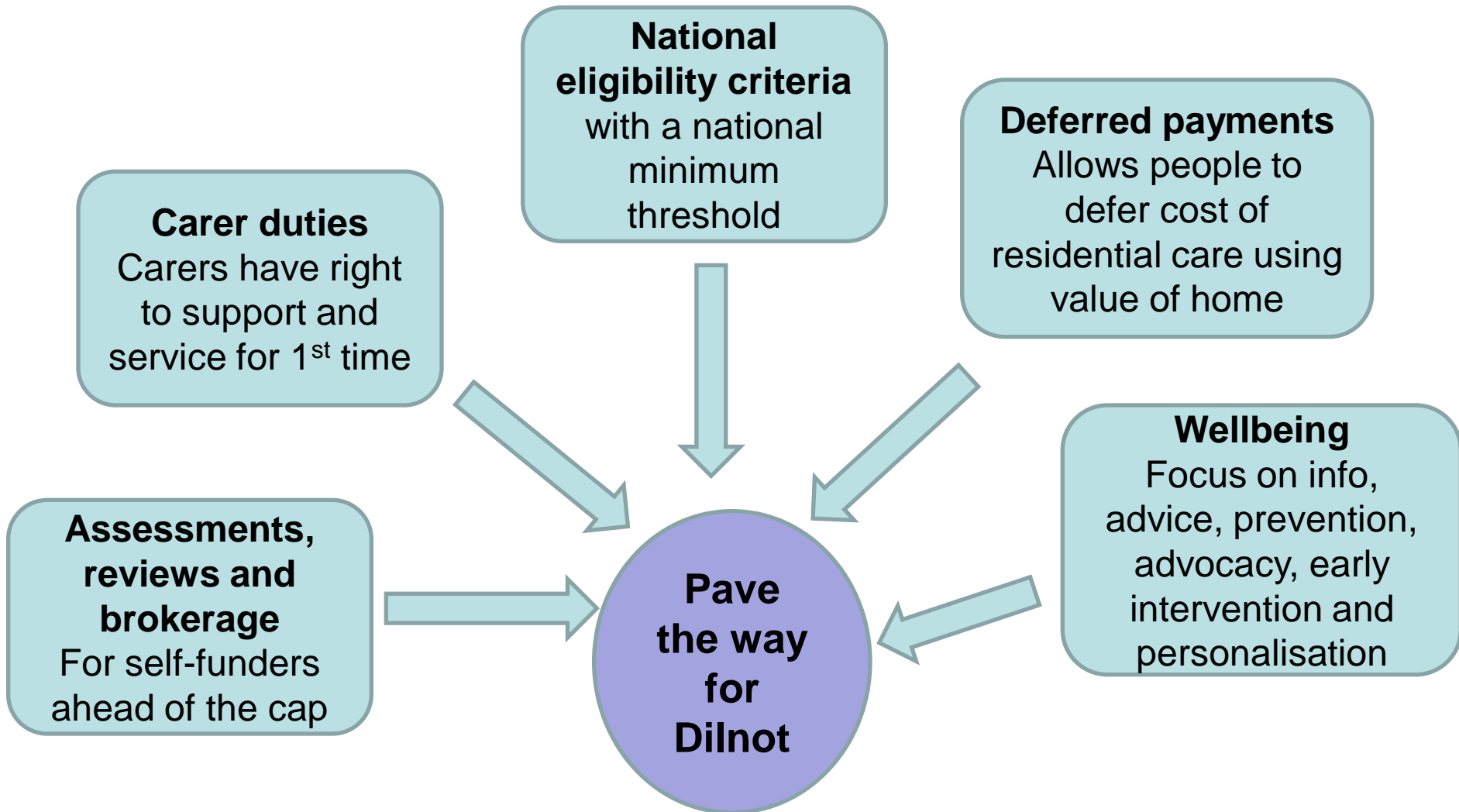
Richard Ellis

The Care Act 2014

- One of the two greatest drivers for change in adult social care over the next few years – the other being integration with the NHS via the Better Care Fund
- Replaces the existing outdated legal framework for adult social care



April 2015/16 – big changes for residents



April 2016 'Dilnot' funding reforms

Cap on care costs

Cap of £72,000 for people of retirement age
Excludes living costs (£12,000)

Residential means-test threshold

Extends from £23,250 to £118,000. If a person doesn't own their own home, or the home is excluded from the means test, the threshold will be £27,000

Working age cap

People with eligible care needs when they turn 18 will have free lifetime care
New lower & staggered cap for working age adults (tba)

Potential implications

- The Act will bring more people into the means-tested social care system at the same time as we are trying to manage significant budget pressures. This is also a challenge as we integrate more with the NHS which is free at the point of delivery.
- Integration is not in the short term going to provide savings that can be reinvested in social care.
- **132,938** people in Hampshire (just over 10%) are providing unpaid care to family members or others (Census 2011 data). We estimate an additional **£5.6m** per year to manage increased support for carers.
- Self funders make up an estimated **60%** of the care market in Hampshire. Significant risk to the market and likely to be disputes about the big gap between eligible care costs and actual costs for self funders.
- HCC initial analysis in conjunction with using an ADASS modelling tool suggests that implementing the cap and other financial changes could cost us an additional **£92m over 5 years**. NB this does **not** include any costs for additional staffing we may need to meet increased demand.

Our response to the consultation

- Rolling a significant amount of the implementation funding into the Better Care Fund will not allow councils the necessary resources to be compliant.
- The Act is a new burden for which grant funding needs to be ring-fenced and ongoing.
- Staff capacity is a major concern.
- Carers – not possible to manage the increase in assessments and the services to meet eligible need without full funding.
- Insufficient time to allow councils to consult on the changes that affect charging before April 2015.
- Unclear guidance about the duty to organise care for self-funders – does it have to be at the HCC ‘rate’?
- Clear demarcation between NHS and social care charging/responsibilities is needed to assist integration and reduce cost shunting to the local authority.

Funding for implementation

2014/15

- Grant of £125,000 for each local authority

2015/16

- Implementation funding may comprise:
 - c. £2.849m which has been rolled into the Better Care Fund – not additional money
 - Between £5.1m and £5.4 m for additional assessments for the cap on individuals' lifetime eligible care costs
 - £2.67m for deferred payment agreements
 - £99,313 for social care in prisons

2016/17

- To be decided by the new Government after May 2015

Implementation Board programme

- Adult services work streams, using existing programmes wherever possible, include:
 - Charging/paying for care
 - Health integration
 - Assessment and eligibility
 - Market development
 - Carers
 - Safeguarding and quality
 - Prisons
 - Transition (from children's to adult services)
 - Information, advice and customer access
 - Workforce
 - User engagement
- Cross-cutting work streams:
 - Legal, Communications and stakeholder engagement, systems/IT, Finance and Performance

Timescales

- Act received Royal Assent on 14 May
- Consultation on draft Regulations and Guidance for 2015 implementation closed on 15 August
- Final Regulations and Guidance for 2015 expected in October
- Draft Guidance for 2016 implementation to be published in late 2014
- First wave of Care Act changes will be introduced in April 2015
- Second wave of changes expected in April 2016, subject to agreement of the new Government