



Social Care Services Board
30 October 2015

**Care Act 2014: Review of phase one (1 April 2015)
implementation and briefing on the status of the phase two
reforms**

Purpose of the report: Policy Development and Review

To review Surrey County Council's implementation of the first phase of the Care Act reforms, which passed into law on 1 April 2015. To update the Committee on the status of the second phase of the Care Act reforms, which were originally due to pass into law on 1 April 2016.

Introduction

1. The Care Act received royal assent in May 2014. It is split into multiple parts, with Part One focussing on adult social care reform. Part One has three core aims:
 - Create an adult social care legal framework that is clear and easy to navigate
 - Bring adult social care law up to date to reflect a focus on the outcomes that people want, rather than their disabilities, and to put individuals in control of their lives
 - Address areas of unfairness in the adult social care system
2. Part One of the Act replaces over 30 pieces of existing legislation and as such marks the biggest change to adult social care law since the repeal of the poor laws in 1948.
3. The Act was due to be implemented in England in two phases. The majority of the changes (phase one) passed into law in April 2015. Major adult social care reforms to funding and appeals (phase two) were due to be implemented in April 2016. Annex 1 lists all the Part One reforms and when they were/are due to be implemented.
4. Surrey County Council's 'Care Act' project was formally established in October 2013 to plan and deliver the implementation of both phases. The project was hosted within the Adult Social Care (ASC) Directorate,

although it drew on support from colleagues across the Council and was steered by the independently chaired Care Act Implementation Board.

5. At its height, the Care Act project was one of the largest change programmes underway in ASC, and was recognised in 2015/16 as one of the Directorate's top five priority actions to support the achievement of the Council's strategic goals of wellbeing, economic prosperity and resident experience
6. The Council's Care Act project successfully coordinated the implementation of the April 2015 changes. Work was underway to plan for the implementation of the April 2016 reforms when on 17 July 2015 the Government announced that the implementation of the second phase of the reforms would be postponed. Some of the biggest funding reforms are now not due to be introduced until April 2020.
7. As a result of the postponement the Care Act Project Board agreed that the ongoing focus should be on ensuring the phase one reforms are properly embedded within the Directorate. This work is led by a member of the Adults Leadership Team (ALT), to which progress is reported every month.
8. Detailed planning for the second phase reforms has been placed on hold pending further information from Government on what the future Care Act implementation requirements will be. Where useful and appropriate, the work which was already underway to support the implementation of the phase two reforms now continues through different ASC projects.
9. In light of the above, the Care Act Project Board formally agreed to dissolve itself and close the Care Act project in August 2015.
10. The first part of this report reviews the Council's planning for the first phase of the reforms and the ongoing work to embed these. The second part of this report provides a more detailed update on the postponement of the second phase reforms and its implications for the Council. The report finishes with a summary of the financial implications for Council.

Project objectives and approach

11. Due to the effectiveness of the transformational change programme that has run in ASC since 2010, including the rollout of personalisation, implementation of successive carers' strategies, and more recently the Family, Friends and Communities programme, the Council already had a strong foundation from which to respond to the requirements in the Care Act.
12. However, the first phase of Care Act reforms still brought some significant implementation challenges. These included:
 - The introduction of a new set of national eligibility criteria

- The extension of adult social care responsibility to include prisoners residing in Surrey. Surrey has one of the highest prison populations in England
 - Rolling out “making safeguarding personal”, a fundamentally different approach to responding to and managing safeguarding alerts
 - New universal duties concerning the promotion of residents’ wellbeing, prevention, the provision of information and advice, and market management and commissioning
 - The extension of legal rights for carers and young carers, to be on the same par as vulnerable adults who receive support
13. These challenges were exacerbated by the tight implementation timescales imposed by Government. The final regulations and guidance for the April 2015 changes were only published in October 2014, although earlier drafts had been circulated beforehand by Government for consultation. This gave local authorities limited time within which to analyse, plan and respond to the detailed requirements.
 14. In the spring of 2014, a set of “Care Act implementation principles” were drafted and consulted upon with staff, partners, residents and carers. The final agreed principles, approved by the Care Act Implementation Board, guided the project approach.
 15. The project followed a Council ‘One Team’ philosophy in order to draw on the skills and expertise of officers beyond ASC. Project implementation was managed through a corporate Care Act Project Board chaired by the Strategic Director for ASC. The project was advised by the Care Act Implementation Board, a multi-agency strategic forum with the Council’s key partners.
 16. Throughout the lifetime of the project, Council officers and elected members played an active role in the development of the Care Act regulations and guidance at a national level. This included participation in national working groups and by taking an active role in national bodies influencing the Government on the Care Act, including the Association of Directors of Adult Social Services (ADASS) and the County Councils Network (CCN). This helped to give the Council “early sight” of some of the detailed requirements, and on occasion enabled the authority to influence the final regulations and guidance.
 17. On 24 August 2015, a Care Act lessons learned session was held, with approximately 20 people directly involved in the project in attendance. This helped to clarify what had worked well within the project, what could have worked better and where further work was required. Areas that emerged as best practice from the project included: effective engagement, positive relationship building and strong project management. Output from the session fed into the Care Act Project Closure Report which can be used to inform future projects.

April 2015 reforms: achievements

18. The Care Act project team oversaw the delivery of a wide variety of different pieces of work to ensure ASC was compliant with the April 2015 legal requirements.
19. Close engagement with residents, partners and staff was also integral to the success of the project. Some of the bigger engagement activities included:
 - Attending over 100 local partnership groups, forums, staff meetings and partner networks to deliver briefings and host gather feedback
 - Hosting two major Care Act events to help inform Surrey's implementation plans, which were attended by approximately 250 people from 100 organisations
 - Writing to 6,400 people in receipt of non-residential chargeable services on proposed changes to ASC's charging policy
 - Attending the ASC Select Committee on two occasions, hosting three member briefings, attending the local committee chairs' group, and writing out to all elected members and M.P.s to brief them on the key Care Act changes
 - Organising and delivering a "roadshow" on the key changes to all ASC frontline teams, in total delivering almost 30 sessions
 - Drafting and issuing regular communications through e-brief, partner organisations newsletters and on the Council's website, including a 100-day "final countdown".
20. The Internal Audit Team carried out an audit of Care Act implementation in early 2015. The report, published in April 2015, found the preparations 'effective' and made no recommendations for improvement.
21. A further, unanticipated project outcome was the improvement in the Council's national profile within the Department of Health, Association of Directors of Adult Social Services (ADASS), County Council's Network (CCN) and among other local authorities. Surrey is regarded as a national source of best practice regarding Care Act implementation in several areas, including its financial modelling of the potential impact of the funding reforms, its work on policies and guidance, its project management approach, and its work with partners to pilot "trusted assessments".

April 2015 reforms: embedding the changes

22. It was acknowledged at the start of the project that, due to the scale of the changes and limited implementation time, ongoing work would be required after April 2015 to embed the spirit of the Care Act in operational practice and strategic commissioning. It was also recognised that the development of case law over time may require ASC to amend its implementation arrangements.

23. The “Care Act: embedding the changes” group oversees much of ASC’s ongoing work to build on the implementation of the April 2015 reforms. It is also responsible for reviewing the effectiveness of new arrangements put in place in April 2015, to check whether they are providing the best VFM outcomes for residents. Its work-plan was informed by a series of ‘action learning sets’ with frontline social care staff and managers in May and June 2015. The current focuses of the group include:

- Embedding the “making safeguarding personal” changes to ensure frontline social care staff are following a person-centred approach. This includes running an ongoing staff training plan and reviewing and updating procedures and guidance in light of their application and staff feedback
- Commissioning an independent sector expert to evaluate the effectiveness of ASC’s new prisons service
- Ensuring staff can access guidance, training and procedures which support the new Act requirements. This includes rolling out new process pathways for young carers and rolling out bespoke self-assessment forms

2016/17 reforms: implications of postponement

24. A full list of the postponed second phase reforms is available in Annex 1. Of these, the most significant for the Council are the delay to April 2020 in the:

- Implementation of the cap on care costs
- The increase in capital thresholds for receiving local-authority funded residential and non-residential care
- Duty to meet the eligible needs of people who fund their own care in care homes

25. The most publicised aspect of the Care Act by national media, the cap will limit the total amount which people who fund their own care will pay towards their eligible social care needs to £72,000. It is intended to prevent people from incurring “catastrophic” care costs in later life. Along with the other changes above, its implementation was anticipated to have the greatest impact on the Council of all the Care Act changes, due to the high population of people who currently fund their own care in Surrey. These implications included:

- A requirement to assess potentially large numbers of additional people who currently fund their own care, which could have placed significant pressure on ASC’s workforce
- A requirement to source care for potentially large numbers of additional people who currently fund their own care
- Concerns about the impact on the provider care market and provider sustainability.
- Substantial accompanying changes to processes, procedures and training

It was anticipated that meeting the above would have placed additional financial pressures on ASC of up to £147million a year by 2020.

26. The Council had lobbied Government, including through ADASS and the CCN, for additional time and sufficient funding to meet these reforms. The length of the postponement, from April 2016 to April 2020, was a surprise as it had not previously been indicated to local authorities. Although a large amount work had been undertaken to plan for implementation in April 2016, much of this now informs ongoing work by ASC to ensure we are delivering a flexible, person-centred and value-for-money service to Surrey residents. This particularly includes:
- The development of online self-assessment of residents' needs and finances through the implementation of ASC's new caseload management system
 - Exploring the viability of commissioning alternative organisations, for example voluntary sector organisations, to undertake some assessments on ASC's behalf
 - Ongoing work to review ASC's resource allocation system for determining how residents' needs correlate to the degree of funding required to meet them
 - Informing the ongoing development of ASC's pricing strategy with providers
27. All other work has been archived, pending further information from Government on the requirements for April 2020. This will help to ensure a smooth start for any renewed project activity, over a longer and more manageable timeframe.

Financial implications

28. To meet the Care Act reforms, in 2015/16 the Council is due to receive:
- £7.2m of new burdens revenue funding from Government (£6.8m "Dilnot funding" and £0.4m "prisons funding")
 - £2.6m revenue funding from Surrey's Better Care Fund (BCF)
 - £0.9m capital funding from the BCF
29. The status of the new burdens revenue funding, which was also intended to support the Council to prepare for the phase two reforms, is unclear. Some of this money has already been received through regular monthly instalments.
30. The Council is fully committed against all of the above funding, to support implementation of the phase 1 changes.
31. Further announcements from Government clarifying the above are expected in the near future.
32. An announcement was anticipated in November 2015 as to how much funding the Council was due to receive to implement the second phase

of the Care Act reforms in 2016/17. In light of the postponement, it is expected that this funding will not now be forthcoming from Government.

Conclusions

33. A broad programme of change has been delivered to ensure the Council is compliant with the 2015/16 Care Act requirements. Ongoing work is underway to ensure these changes are properly embedded and that frontline social care staff are following the person-centred philosophy of the Care Act.
34. The 2016/17 reforms, which were anticipated to have the biggest impact on the Council, have been postponed. Where useful, some of the work to prepare for these reforms has been continued through other projects, particularly where it could help the Council to respond to the ongoing growth in demand for services.

Recommendations

35. It is recommended that the Board:
 - Reviews this report to assure itself that the Council has taken all reasonable steps to comply with the first phase of the Care Act reforms, and has taken an appropriate response to the postponement of the second phase reforms.

Next steps

36. Continue to embed the Care Act changes through the “embedding the Care Act” group which reports to the Adults Leadership Team, with a view to gradually merging this into business-as-usual practice.

Report contact: Tristram Gardner, Lead Manager for the Commissioning Support Unit and Enterprise Network, Adult Social Care

Contact details: 01483 517485; tristram.gardner@surreycc.gov.uk

Sources/background papers:

- The Care Act 2014 legal statute is available online at: <http://www.legislation.gov.uk/ukpga/2014/23/contents/enacted>
- The Care Act 2014 regulations and guidance are available at: <https://www.gov.uk/government/news/final-care-act-guidance-published>
- Department of Health factsheets on the Act are available at: <https://www.gov.uk/government/publications/care-act-2014-part-1-factsheets>

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