

Health and Wellbeing Board

Date of Meeting: 15th September 2015
Report of: Brenda Smith, Director Adults Social Care
Subject/Title: Care Act Briefing

1 Report Summary

- 1.1 On 20 July 2015, in a Written Ministerial Statement, the Government set out its decision to delay implementation of the planned funding reforms - the cap on care costs system, including changes to the means test, set out in the Care Act 2014, until 2020.
- 1.2 The delay will allow time to be taken to ensure that everyone is ready to introduce the new system and to look at what more can be done to support people with the costs of care.

2 Recommendations

- 2.1 To note the report

3 Reasons for Recommendations

- 3.1 To be aware of the changes regarding the Care Act legislation.

4 Impact on Health and Wellbeing Strategy Priorities

- 4.1 The impact of this on each of the Health and Wellbeing Priorities are set out below:

- **Engaging effectively with the public**

Communication with the public regarding the changes will be undertaken. Effective communication and engagement will remain a feature of the implementation of the remaining aspects within the Care Act phase 2 as well as reviewing and refining the implementation of phase 1.

- **Enabling people to be happier, healthier and independent for longer**

There is no specific adverse impact on this priority because of the deferment of the funding reforms.

- **Supporting people to take personal responsibility and make good lifestyle choices**

Both improving information and advice and the introduction of self – assessment remain in phase 2 of the implementation of the Care Act.

- **Achieving evidence-based outcomes within a holistic vision of health and wellbeing**

There is no specific adverse impact on this priority because of the deferment of the funding reforms.

5 Background and Options

5.1 The Care Act 2014 came into force on 1 April 2014 and comprises of two phases. Cheshire East Council is fully compliant with the requirements and duties of the Act required under phase 1. Phase 2, due to come into effect on 01/04/2016, was mainly focused on funding reform.

5.2 On 17 July 2015, the Government announced that they had decided to delay the implementation to some of the funding reforms set out in the Care Act 2014 and that these would be deferred from April 2016 until April 2020 to both allow time to be taken to ensure that authorities are ready to introduce the new system and to look at what more can be done to support people with the costs of care. This has been confirmed in a Written Ministerial Statement on 25 July 2015. The reforms that are deferred are :

- **The cap on care costs**

Currently anyone with assets of over £23,250 has to pay the full cost of their care. The Care Act (2014), set out that, from April 2016 the amount people over 65 needed to pay for care would be capped at £72,000, with no one having to sell their home to meet care costs. This has now been deferred until April 2020. The “nil cap” for people under has also been deferred until April 2020.

- **The extension to the Means Test Thresholds**

This has been deferred until April 2020.

- **The introduction of an appeals system**
The plan to introduce an appeals system has been deferred pending the next Comprehensive Spending Review to be published on 25 November 2015 when the timetable for appeals implementation will be confirmed. In the meantime, those using care and support will continue to be able to make use of the existing complaints system and ultimately, the Local Government Ombudsman.
- **Direct payments to people in residential care.**
The Direct Payments in Residential Care trailblazer programme runs until October 2015 and the final evaluation report is expected in summer 2016. The Department of Health has decided to wait for the final evaluation before taking a decision about whether or not to roll out to all local authorities.
- **Early assessments of self-funders.**
These are no longer required
- **Daily living costs**
The principle of £230 as a daily living allowance has been deferred until April 2020.
- **First party top-ups**
First party top-ups by service users are delayed until further notice.
- **Minimum income disregard**
The equalisation of younger adults' disregard and those of pension credit age have also been delayed.

5.3 Care Act Funding

It is not clear what the position is with regard to the funding allocated to local authorities to implement the Care Act. The Department of Health will shortly advise local authorities on what will occur with the implementation funding.

5.4 Implications

There are number of implications, including:

1. Re-scoping the Care Act Project to focus on the areas still needing to be implemented in phase 2 of the Care Act 2014 implementation including:
 - a. Embedding Prevention
 - b. Building Community Capacity
 - c. Information and Advice
 - d. Self assessments
 - e. Monitoring market impact

- f. Ordinary residence, continuity of care and cross border placements
2. Re-scoping the Adult Financials Project as the work to develop Care Account systems is no longer required. This work was due to start in January 2016 and the resource allocated to this project can be redeployed.
 3. In addition to the significant service and project management time invested to date in the Care Act projects, other costs have been incurred within the Adult Social Care, Business Support and Finance team which include:
 - The appointment of two Financial Co-ordinator posts (Fixed Term until 31/03/16) at a total cost of £58,842.
 - The appointment of two Administrators (Fixed Term until 31/03/16) at a total cost of £45,616.
 - Printing costs for Care Cap leaflets and posters amounting to £1,147

This gives a total expenditure of £105,605 (excluding service management and project management time).

The four Care Act specific posts are funded from the Care Act funding allocated to CEC, the position of this funding is not clear and CEC needs to review whether the fixed term contracts can, or should, be ended early. If they are not ended early, funding will need to be found from elsewhere.

4. Contract Centre call staff and supervisors will not now be required on an ongoing basis and a stand down process has been invoked.
5. Updating external and internal communications to communicate the changes to CEC staff, partners and stakeholders

6 Access to Information

- 6.1 Further information can be accessed by following the link below
http://www.local.gov.uk/care-support-reform/-/journal_content/56/10180/7399280/ARTICLE#sthash.5a8u6r1v.dpuf

Other background papers relating to this report can be inspected by contacting the report writer:

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