

# Adults and Community Wellbeing Scrutiny Committee

Charging for Social Care

25 May 2022



# Financial Assessment Performance

Financial Assessment Type	Annual Volume	Processed Without Delay	Processed with additional info in 28days	Processed with additional info 29days+
Non-Residential	5,800	4,930 (85%)	400 (7%)	470 (8%)
Residential	2,800	1,456 (52%)	820 (29%)	524 (19%)
<b>Total</b>	<b>8,600</b>	<b>6,386 (74%)</b>	<b>1,220 (14%)</b>	<b>994 (12%)</b>

## Reasons for additional information ask

- Incomplete bank details
- Difficulties in accessing land / property valuations
- Incomplete information from self funders

# What is Changing?

- From October 2023 all individuals in receipt of adult social care services regardless of age will be impacted
- More people will be eligible for state support. The Upper Capital Limit increases to £100,000 (from £23,250). The Lower Capital Limit increases to £20,000 (from £14,250)
- 50:50 Local Authority : Self funder market in Lincolnshire. approx 10,950 service users, potential to double the number of assessments. Non-residential to see the greater volume.
- Self-funders can ask the local authority to commission care at local authority fee levels, this will also be necessary to help calculate when the person reaches the 'care cap'
- Market Sustainability and Fair Cost of Care Fund - to prepare markets for reform, including self-funders able to access local authority fees and to support local authorities to move towards paying a fair cost of care.
- April 2022 saw social care allowances unfrozen in line with inflation, people will keep more of their income
- Introduction of a £86,000 care cap. Progress towards the cap will be recorded in a 'care account'

# Implementation of Care Accounts

- Everyone (approx. 20,000 people) needs a care account to track their progress towards the £86,000 cap
- Local authorities to maintain care accounts for all ordinarily resident with eligible needs for care & support
- Local authority to provide regular care account statements every 6mths, electronic by default
- 12mths prior to reaching cap, local authorities must alert and work with the individual for smooth transition
- Financial assessments determine the service user contribution towards the cap
- Not all costs count towards the cap eg financial contribution from the local authority, costs of meeting non-eligible needs, any top up payments the person or third party chooses to make

# Increased Demand for Assessments: both to determine needs and to create care accounts

- National assumptions for authorities with high % self funders (of which LCC is with approx. 50:50 ratio)
  - 85-105 social workers
  - 50-60 non-qualified social care staff
  - 13-15 financial assessment officers
  - Waiting lists could rise est. 20-25 weeks for needs assessments, 25-30 weeks for financial assessments
- LCC approach to potential increase in demand;
  - assuming 85% of self funders above upper capital limit, adopt light-touch financial assessment and a proportionate needs assessment for the 15%
  - 1,600 Full needs assessments
  - 1,600 Full financial assessments
  - 9,300 Proposed light touch assessment approach
- Review 10,950 currently in receipt of adult social care, risk based approach

## Financial Assessment Capacity Expansion

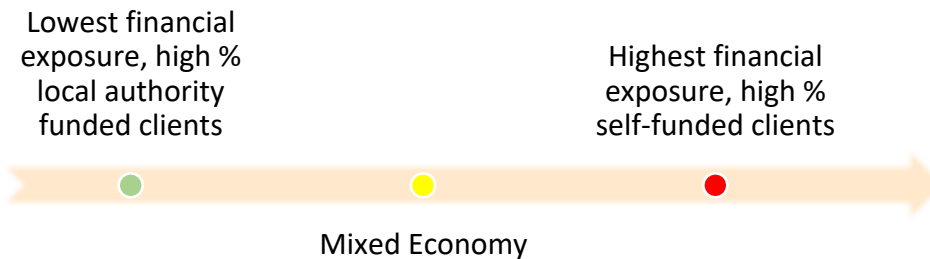
- Streamline paper assessment
- Reduce evidence base in some areas
- Roll out at pace on-line financial assessment
- Introduce light touch assessments
- Further automation of financial assessment

## Needs Assessment Capacity Expansion

- Supported self assessment
- Trusted assessment arrangements with other organisations
- Delegated role in the assessment process for partners in other organisations

# Impact on Adult Social Care Market

- Providers will be impacted due to
  - upper capital threshold of £100,000 changes who is a self funder
  - self funders able to approach local authorities to access their rates
  - local authorities to pay/move towards paying a fair cost of care (FCC)
- Combined financial impact of the above will vary provider to provider



- Market assessment including indicative cost of care well underway in Lincolnshire
- Market Sustainability and Fair Cost of Care Grant to support local authorities to increase rate paid, £2.273m 2022-23, potential to increase 3x in 2023-24

Lincolnshire approach to Market Assessment including Fair Cost of Care;

- Sept21 Residential market
- Apr22 Homecare market
- May22 Community supported living market
- Aug22 Quantification of difference between LCC rates and the indicative cost of care including 3-year plan to deliver a Fair Cost of Care for Lincolnshire
- Sept22 market sustainability assessment including indicative cost of care

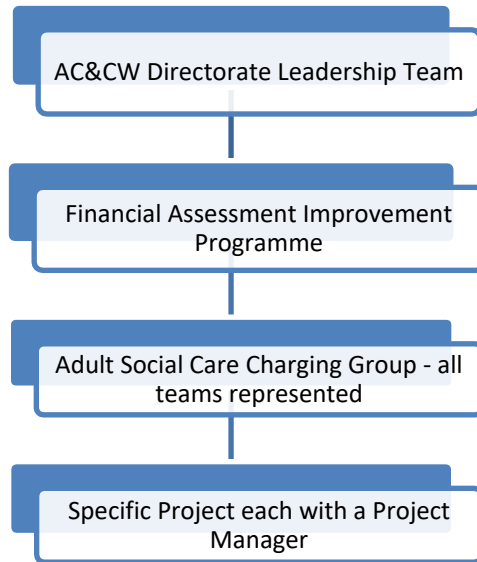
# Finances

Building Back Better	Autumn Statement	Local Government Settlement / Social Care White Paper
£5.4bn over 3 years on adult social care reform	£3.6bn directly to local government for the cap, means test, and fair cost of care	£2.2bn over 3 years for cap and means test: - 22/23: £0m - 23/24: £800m - 24/25: £1.4bn
		£1.4bn over 3 years for fair cost of care: - 22/23: £162m - 23/24: £600m - 24/25: £600m
	£1.7bn years to improve wider social care system	<ul style="list-style-type: none"> <li>- At least £300m, integrate housing</li> <li>- At least £150m, technology and digitisation</li> <li>- At least £500m, workforce training and qualifications</li> <li>- Up to £25m, support unpaid carers</li> <li>- £30m, innovation of support and care</li> <li>- At least £5m, help people understand services available</li> <li>- More than £70m, improve delivery of services</li> </ul>

£2.273m for Lincolnshire in 2022-23

# Strong Cross-Council Programme already underway

## Governance Structure underpinning corporate reporting



### Projects

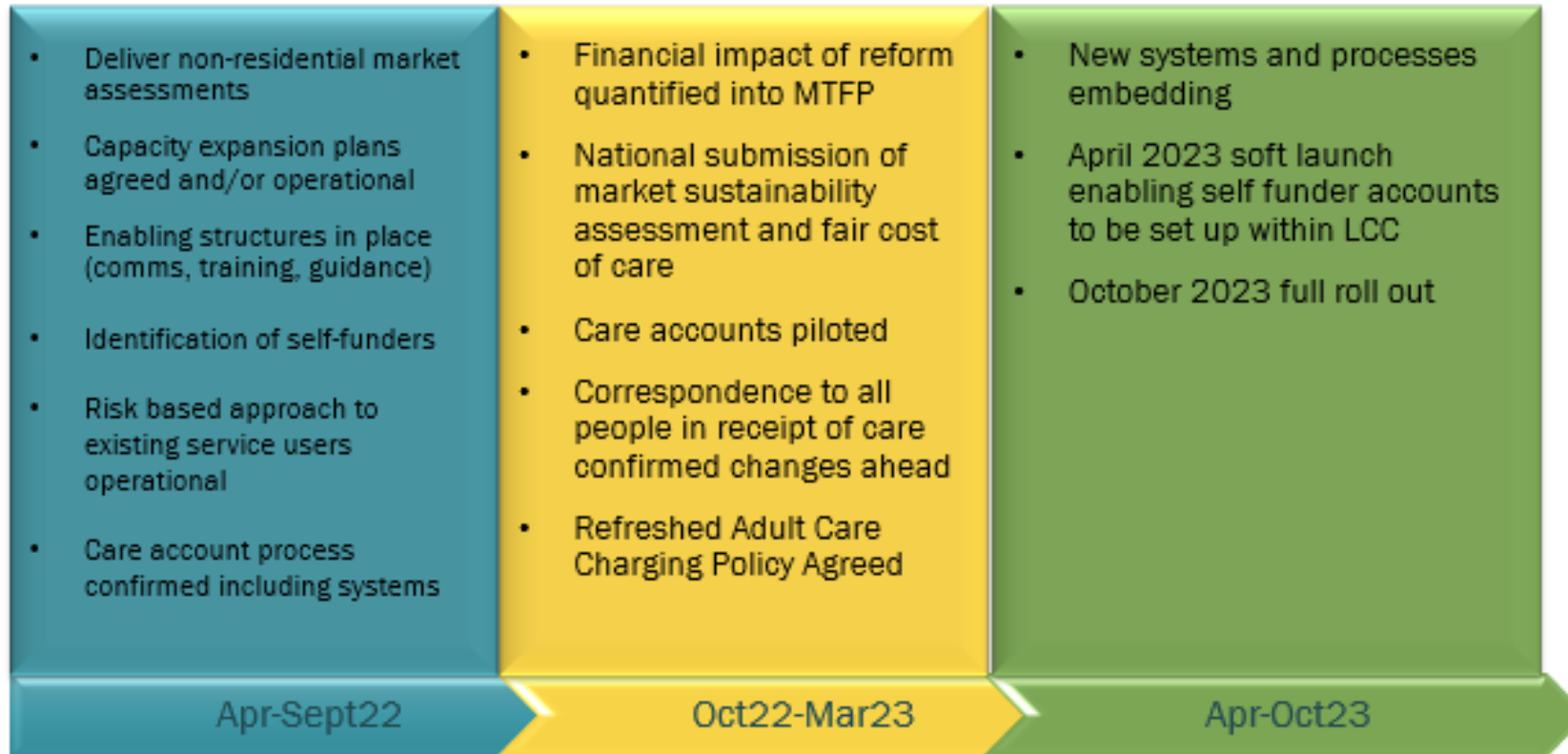
- Debt Review Programme
- Residential Move to Gross
- Abacus Upgrade
- Mosaic Development
- On-line assessment Development
- New! Social Care reforms, Demand
- New! Social Care reforms, Fair cost of care
- New! Pathway Automation

## Existing Priority Areas Delivering Improvement

- 31Mar22 Majority Financial Assessments within 28days (*Reduced from 5mths in 2018*)
- 31Mar22 Abacus Upgrade (*Abacus SDS decommissioned 2020*)
- 31Mar22 Residential rates model in place moving towards a fair cost of care informed by market assessment Sept21
- 31May22 Charging Policy challenges complete (*Flat Rate Nov21, Homecare 31Dec21, Non-residential MIG 31May22*)
- 30Jun22 Debt Review Programme, all debts reviewed (*Debts >£15,000 reviewed by 31Mar22*)
- 30Jun22 Online assessment tool for non-residential is being rolled out, residential design in progress (*Non-residential tool built and being rolled out already*)
- 31July22 Move to gross for residential payments (*homecare and community supported living already paid gross*)
- 30Sept22 Automation of Deferred Payment Process



# Additional Steps to Existing Programme



# Key Risks

Risk	Risk Description	Mitigating Actions
Change	A significant amount of change for staff, service users and their families and providers. There is a risk of misunderstanding, confusion leading to complaints and delay.	<ul style="list-style-type: none"> <li>• Clear governance structure in place</li> <li>• Communication programme roll out from May22</li> <li>• Training programme roll out from Jun22</li> </ul>
Capacity	Inability to recruit additional workforce to meet new demand	<ul style="list-style-type: none"> <li>• Not solely reliant on recruiting a limited workforce, Improvement Programme underway</li> <li>• Rolling recruitment</li> <li>• Risk based approach to prioritise demand</li> </ul>
Timescale	System development not completed in time. All local authorities approaching same providers	<ul style="list-style-type: none"> <li>• Upgrade of existing systems in use complete</li> <li>• Minimum viable product approach nationally with a detailed technical specification that can be developed in existing case management systems</li> </ul>
	Inability to contact all self funders	<ul style="list-style-type: none"> <li>• Residential self funders will be picked up through existing residential move to gross mechanism</li> <li>• Non-residential to be confirmed by Sep22</li> </ul>
Finances	National funding may not be sufficient to support financial impact	<ul style="list-style-type: none"> <li>• Residential cost of care gap known</li> <li>• Non-residential cost of care gap identification by Jun22</li> <li>• Threshold impact and demand increase by Sept22</li> <li>• Significant risk</li> </ul>
	Debt may increase with more people entering adult social care	<ul style="list-style-type: none"> <li>• Debt Review Groups well established</li> <li>• Process changes to be embedded by Dec22</li> </ul>