



National Audit Office

Local government report

by the Comptroller and Auditor General

Local government

Care Act first-phase reforms – local experience of implementation

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Care Act first-phase reforms – local experience of implementation

Report by the Comptroller and Auditor General

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Sir Amyas Morse KCB
Comptroller and Auditor General
National Audit Office

30 July 2015

For this report we analysed the insight gained from nine case study areas to highlight the solutions each have developed to help them manage the changes required by the Care Act.

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Summary

1 Social care is personal care and practical support for people with physical disabilities, learning disabilities, or physical or mental illness. In 2012, the government set out its plan to reform care and support in the white paper *Caring for our future: reforming care and support*.¹ The objectives are to reduce reliance on formal care, to promote people's independence and well-being and give people more control of their own care and support. The Department of Health (the Department) is responsible for achieving these objectives through the Care Act 2014, which it is doing in two phases (**Figure 1**).

2 On Friday 17 July the Department announced the decision to delay the introduction of the cap on care costs system until April 2020 following concerns from stakeholders. This includes the increase to the threshold above which people start to contribute fully to their residential care costs. As part of this decision the Department also confirmed that the proposed appeals system for care and support will now be considered as part of the wider Spending Review.

3 The Care Act puts new legal responsibilities on local authorities in England and requires them to cooperate with local partners to meet them. As we have reported previously, only a small proportion of care is publicly funded. Unpaid family, friends and neighbours provide most care and support. Many adults pay for some or all of their formal care. But for many local authorities, adult social care is one of the biggest areas of spending. Local authorities provide universal and preventative services and usually only pay for individual packages of care for adults assessed as having high needs and limited means.² We estimate local authority net spend on adult social care in 2014-15 at £14.4 billion.

4 Through the Care Act, the Department aims to achieve the government's vision (**Figure 2** on page 6). The Department wants to empower people who use care and support, their families, and carers, to be able to find help, and maintain their independence. Local authority information, advice and assessments become services in their own right, rather than routes to publicly-funded intensive care and support.

¹ HM Government, *Caring for our future: reforming care and support*, Cm 8378, July 2012.

² Comptroller and Auditor General, *Adult social care in England: overview*, Session 2013-14. HC 1102, National Audit Office, March 2014.

Figure 1**The main changes in the Care Act 2014****The Department of Health is implementing the Care Act in two phases**

Phase 1: The main changes introduced from April 2015 include duties on local authorities to:

- provide services that prevent care needs from becoming more serious, or delay the impact of their needs;
- meet a national minimum level of eligibility for a person's care and support needs;
- assess carers, regardless of how much care they provide, and meet carers' needs on a similar basis to those they care for;
- offer deferred payment or loan agreements to more people, avoiding property sales to pay for care and support;
- provide information and advice (including financial advice) on care and support services to all, regardless of care needs;
- provide an independent advocate where such support is needed;
- work with care providers to get a diverse and high-quality range of local services;
- comply with a new legal framework for protection of adults at risk of abuse or neglect;
- give continuity of care to those whose needs are being funded by the local authority who choose to move to another area;
- assess the care and support needs of children and their carers, who may need support after they turn 18, as they move to adult social care; and
- arrange and fund services to meet the eligible care and support needs of adults who are detained in prison.

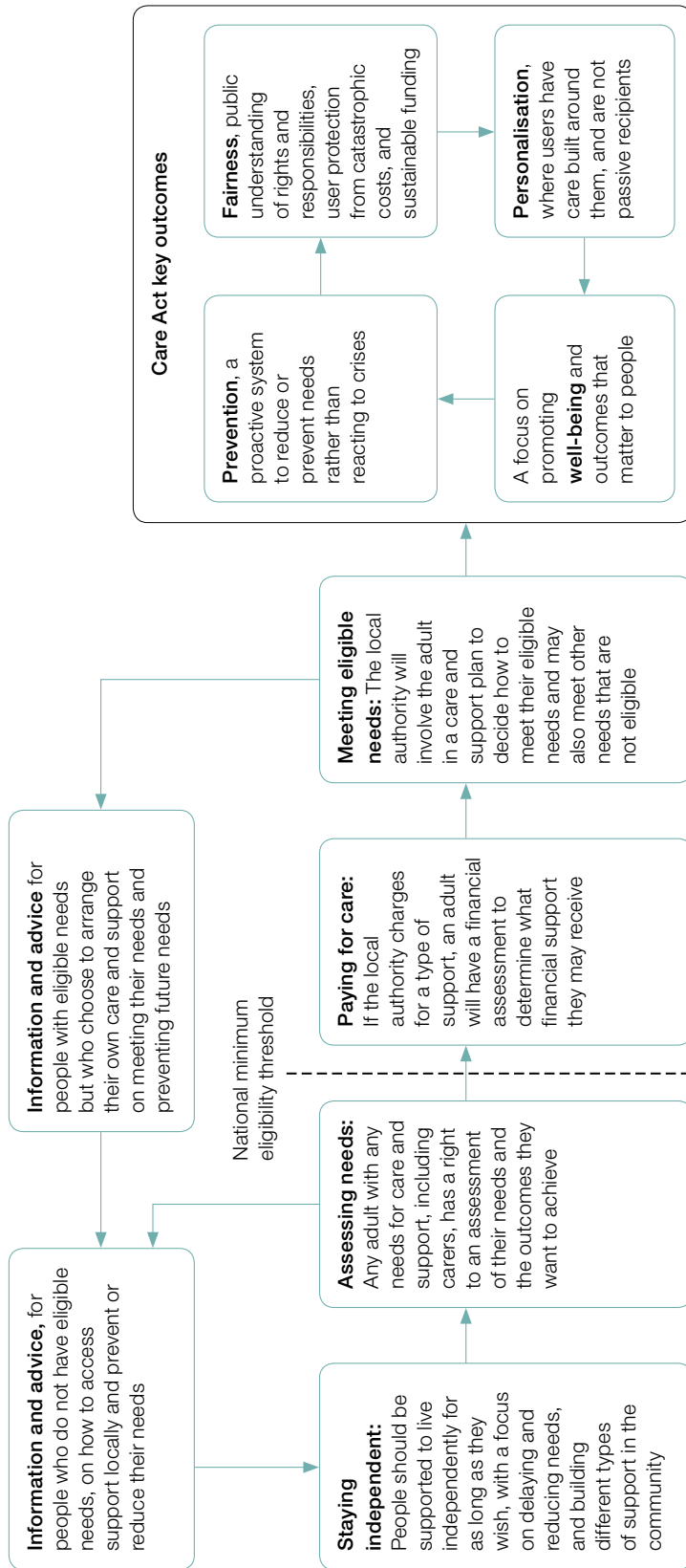
Phase 2: At the time of publication the main changes planned under phase 2:

- A cap on the amount someone will pay towards eligible care and support due to be implemented in April 2020.
- An increase in the threshold above which people start to contribute fully to their residential care costs due to be implemented in April 2020.
- The introduction of a right for people to appeal against specific local authority decisions about their care and support.

Source: Department of Health

Figure 2
Care Act policy objectives

Care Act marks a culture change



Source: Department of Health

Scope of our report

5 This is a local government report published under the Comptroller and Auditor General's powers under the Local Audit and Accountability Act 2014. These allow the Comptroller and Auditor General to examine the economy, efficiency and effectiveness with which local authorities use their resources in discharging their functions. The purpose is to provide evaluation, commentary and advice of a general nature to local authorities.

6 This report highlights the issues our case study areas told us were important to them in carrying out the Care Act. Local authorities may find their experience informative as they continue to develop their own approaches to carrying out the Care Act. The report does not judge the performance of individual local authorities.

7 This report complements our value-for-money report on central government's approach to the *Care Act first-phase reforms*.³ In this report we have focused on:

- the issues around estimating demand and how some of our case study areas have approached these issues (Part One); and
- how our case study areas are using information technology, building on existing initiatives or bringing in new ones to support those who use care and support, their families and carers (Part Two).

8 The funding issues for the first-phase reforms are covered in detail in the report mentioned above.

9 This report draws on detailed analysis of the information gathered from nine case study local authorities. We visited them to help us understand the challenges they face and approaches they use to manage them. We selected these places to cover a range of local authority types, in different regions, and experiencing different pressures from Care Act implementation.

³ Comptroller and Auditor General, *Care Act first-phase reforms*, Session 2015-16, HC 82, National Audit Office, June 2015.

10 We spoke to directors of adult social services, Cabinet members for social care and other senior officers responsible for Care Act implementation at:

- Bracknell Forest Council;
- Devon County Council;
- Durham County Council;
- Lincolnshire County Council;
- London Borough of Lambeth;
- Redcar and Cleveland Borough Council;
- Staffordshire County Council;
- Suffolk County Council; and
- Wakefield Council.

Part One

Estimating demand

1.1 Demand for local authority services is likely to increase as a consequence of the Care Act. But calculating demand is complex and it is difficult to be precise as it involves anticipating the behaviour of people who may not already be in contact with public services.

1.2 Should demand or cost exceed expectations, the burden will fall first on individual local authorities. The Department does not have a contingency fund. In the short term there is a risk that local authorities may have to make savings in other services, divert people to the third sector, or delay or reduce services. The latter could create extra burdens for individuals, their families and carers.

1.3 Changes brought in by the Care Act mean local authorities need to understand better the numbers of carers and self-funders they have in their area and will need to monitor and manage changes in demand for council services as the Care Act takes effect.

1.4 All councils offer carer assessments, but the number of assessments for carers has fallen since 2010, when 4% of carers were assessed.⁴ The Care Act entitles carers to receive information and advice, gives carers the equivalent right to be assessed as those they care for and, if appropriate, to access services, which should reverse this trend. The Care Act incentivises self-funders to approach local authorities before the cap on care costs comes into effect. Previously, either the self-funder would not have approached their local authority or, having made contact, may have chosen not to be assessed.

1.5 The Department, Local Government Association and Association of Directors of Adult Social Services have regularly surveyed local authorities with social care responsibilities to assess progress carrying out the Care Act. This ‘stocktake’ has a 100% response rate. In the January 2015 stocktake, local authorities said the two greatest risks to implementation were the uncertainties about additional demand from:

- carers – 90% of local authorities mentioned this risk; and
- self-funders – 88% of local authorities mentioned this risk.

⁴ Health and Social Care Information Centre, *Survey of carers in households – England 2009-10*, page 9.

1.6 This uncertainty includes, for example:

- the numbers of carers eligible to be assessed and receive services;
- the numbers of self-funders receiving homecare in the community; and
- the numbers of self-funders who will seek an assessment.

Estimates for the numbers of carers eligible for assessment

1.7 Before the Care Act, carers who provided a 'substantial amount of care on a regular basis' could request an assessment and local authorities had to inform them about this right.⁵ NHS information Centre (now the Health and Social Care Information Centre) research in 2010 indicated that 6% of carers said they had been offered a carer's assessment and 4% received an assessment.⁶

1.8 The Department considered a number of ways of estimating, as a proxy, potential future demand from carers. The Department may, however, have underestimated the demand for assessments and services for carers. It based its estimate of take-up on the number actually receiving Carer's Allowance, which it compared with other sources. The NAO repeated the Department's calculation concluding that it was as reasonable to assume that those carers who have applied for Carer's Allowance and are eligible, but do not receive it because they receive other allowances, are as likely to seek an assessment. This equates to a risk of £27 million (26%) in extra assessments and services if these people also come forward.

Estimates for the numbers of self-funders

1.9 Demand from self-funders is also uncertain. The Department estimates that there are 154,000 self-funders in residential care. This is consistent with other large scale research into numbers of people in care homes.

1.10 The Department also estimates that there are some 455,000 people paying for their care at home in the community based on the results of statistical models which use national survey data and population projections. Alternative research into self-funders at home suggests a population range of 145,000-249,000. However, the research is limited, based on modelling and small-scale surveys, and is inadequate to give a national estimate. The Department did not commission primary research.

⁵ Carers (Recognition and Services) Act 1995 or the Carers and Disabled Children Act 2000.

⁶ See footnote 4.

1.11 Many local authorities are not confident that they know the number of self-funders receiving homecare in the community. The Department collected data from local authorities about the number of self-funders, using its scenario model. The Department suggested to local authorities that, where no better data exists, they assume that the number of self-funders receiving homecare in the community is in the same proportion as those in residential care. More than half of councils who provided estimates (54%) adopted this assumption.

Local estimation of demand

1.12 In our report *Care Act first-phase reforms* we recommended the Department should work with the sector to improve its data and reduce the level of uncertainty in its assumptions for phase 2.⁷ Our case study areas highlighted to us the difficulty in estimating demand. They have used a combination of national models and their local knowledge and analysis to refine the estimates for their local areas. Alternatively, Redcar and Cleveland already consider their approach to information provision was compliant so they have focused on improving their services:

- **Suffolk** estimated that there were between 6,000 and 7,000 people who self-funded their own residential or home care in their area who could ask for an assessment. They used three methods to triangulate their estimates. Local information from commissioning and market management, local information on demographic analysis and trends and national models and estimates. Suffolk then commissioned surveys to confirm these numbers.
- **Wakefield** told us they had confidence in estimating demand for self-funders in residential homes because of the data available from providers. But they pointed out that estimating demand from non residential self-funders has been more difficult to predict due to uncertainty around eligibility and lack of information from providers.
- **Redcar and Cleveland** considered its approach to information provision was already compliant with the requirements in the Care Act. The council provides an information and advice service to all enquiries whether or not the person concerned meets the eligibility criteria for care. The majority of enquiries are managed through its Adult Services Access Point. The council has also developed the Peoples Information Network that signposts services and can be accessed by anyone. Its focus now is to continue to improve its information, advice and signposting offer as part of its work to support people to live independent, safe lives within their own communities.

⁷ Comptroller and Auditor General, *Care Act first-phase reforms*, Session 2015-16, HC 82, National Audit Office, June 2015.

Monitoring

1.13 Given the risks in its central estimates, the Department has agreed with stakeholders a series of data stocktakes to be collected from local authorities each financial quarter starting on 1 April 2015. The metrics cover the main areas of the Care Act including the number of carers coming for assessment and the early assessment of self-funders and take-up of the new rights for carers.

1.14 The Department plans to use monitoring data from the first financial quarter to support the next spending review. This will be the first opportunity for the Department to bid for extra funding if needed. However, there may not be a true picture of demand at this stage and therefore the Department may not have the best information to base its new estimates on. If demand increased further than expected, beyond the first financial quarter, then funding adjustments may be underestimated.

1.15 This is important for local authorities as failure through insufficient resources would happen in individual local authorities, rather than the system as a whole. This could impact on their ability to deliver services and on their medium-term financial plans.

Part Two

Local authority experience

Case study examples

2.1 In this section we highlight initiatives our case study areas told us were important to them in implementing the Care Act.

2.2 The objectives of the Care Act build on the transformation councils have already started in the way they approach social care both on their own and in partnership with stakeholders including health bodies and the third sector.

2.3 Unsurprisingly, as the Care Act builds on current good practice, many initiatives have been running for a number of years, such as Devon's Carers' Health and Wellbeing Check, Staffordshire's MASH or Wakefield's Care Closer to Home scheme. Lincolnshire has developed a tool to support the responsibilities councils have for prisoners. Many have developed e-marketplaces to provide online directories to make it easier for people to find and access support and well-being services, or developed systems to help people self manage their assessments and their care.

Systems, joint working and data sharing

2.4 Our case study areas told us about their approaches to developing their IT systems, improving joint working and improving data sharing. They told us how they were using these activities to improve ways of working to achieve the Care Act's objectives.

Information Technology:

- **Bracknell Forest** highlighted the importance of building strong relationships with IT suppliers and keeping in contact with other local authorities using similar systems to ensure systems were developed with the flexibility to help carry out the Care Act requirements. They highlighted the value in attending meetings which bring together the IT suppliers and the local authorities. These have facilitated close working relationships, and local authorities have been able to highlight what is needed as well as hear what issues the suppliers are having in meeting their requirements.
- **Durham's** transformation and Care Act implementation strategy includes the introduction of e-marketplace software. The system has been developed following consultation with colleagues in their Adult Care and Commissioning teams, consideration of national policy documents published through the Association of Directors of Adult Social Services and through discussions with system suppliers. The software will include advice and information, a directory of services, an eligibility checker and online assessments, online care plans and access to care accounts. The council expects the software to help empower customers to take greater control of their own care, support and well-being provision.

Assessments:

- **Wakefield** is developing a system to support front-line staff in making assessments and joint planning. Their Information Management Team is looking into a whole system approach to implement a portal that sits across all the partners' systems to support joint working.
- **Devon** was a Carers' Demonstrator Site from 2009–2011. The council, health bodies and carers jointly developed the Carers' Health and Wellbeing Check. This is a tool used by GPs, pharmacies and Devon Carers (a voluntary sector provider) to undertake carers' assessments and signpost them to support, switching on some simple services. This responded to carers' requests for support through their GP practices and enabled carers who would not otherwise have come forward to be supported in primary care and the voluntary sector. These checks have been in place for carers assessments since 2011. The council believes that this system has contributed to the high levels of identification of carers in Devon. As carers like the Carers' Health and Wellbeing Check Devon has adapted it to meet the requirements for carer assessment under the Care Act. Most are now carried out in the voluntary sector by Devon Carers in close association with GP practices. Devon sees these assessments as integrated commissioning and has undertaken significant systems and IT work to support their adaptation for the Care Act.

Client facing

2.5 Our case study areas have built on or developed new initiatives to achieve the aims of the Care Act locally.

Community Agent project:

- **Redcar and Cleveland** along with South Tees Hospitals NHS Foundation Trust jointly fund the Community Agent project which is delivered by Tees Valley Rural Community Council. Community agents work alongside health and social care staff to identify appropriate support from the voluntary sector. This allows vulnerable people to remain in their own homes, particularly those who live alone and those who are frail or elderly, by offering a one stop solution; signposting people to the appropriate voluntary service that meets their needs. An independent evaluation showed a social return on investment of £3.29 for every £1 invested in the Community Agent project.

Assessments in prisons:

- **Lincolnshire**, under Section 76 of the Care Act will be responsible for assessing and meeting the eligible care and support needs of adult prisoners. To help meet this responsibility it has developed a screening tool for use in prison reception areas to provide an initial assessment of social care needs. The council hopes to embed this tool into the existing screening activity when prisoners arrive. The council also intends to capture care needs as prisoners leave prison although they highlight that discharge from prison to other areas is an issue that needs further work.

Community-led approach:

- **Lambeth** is building on its approach to community support. To enable the council to meet the expected demand they are taking a community-led approach to demand management. Lambeth has worked with an organisation called TOPAZ for a number years. TOPAZ is a community interest company, consisting of social workers, occupational therapists and community workers. They support the independence of older people who fund their own care or have low or moderate needs by providing assessment, early intervention, support planning and effective advice, information and advocacy.

Early Intervention:

- **Staffordshire** has a long-standing multi-agency safeguarding hub (MASH) and recently tendered for an integrated carer's hub. Staffordshire set up its multi-agency safeguarding hub in 2010 with the aim of ensuring that vulnerable people and their families within Staffordshire and Stoke-on-Trent were able to live safe lives, free from the risk of abuse and neglect through an integrated approach to sharing of information and collaborative decision-making. They aim to put in place the appropriate interventions at the earliest opportunity across the MASH partnership. The long-term intention is to shift resources, through effective information sharing, commissioning and partnership working, from high cost specialist services to early help and early intervention.

Integrated Care Pioneer:

- **Wakefield** was recognised as one of the ten wave two integrated Care Pioneers in January 2015. This builds on their Care Closer to Home scheme. This integrated care programme involves the co-location of specialist community nurses, social workers, therapists, workers from voluntary organisations such as Age UK and Carers UK and community pharmacists to work together as single teams. These teams work together with groups of GP practices to organise services around the needs of the people registered with their practices. The aim of the project is to help people to remain more independent for longer while receiving health and social care in their own home where possible.

Conclusion

2.6 In our report *Care Act first-phase reforms* we concluded the Department has managed the introduction of Phase 1 of the Care Act well, with an innovative joint approach with the sector, ongoing involvement of stakeholders and open sharing of data and documents.⁸ Consequently, 99% of local authorities were confident that they would be able to carry out the Care Act reforms from April 2015.

2.7 However, we found with the level of demand so uncertain, the Department's cost estimates and chosen funding mechanisms put local authorities under increased financial risk. In a challenging financial environment, with pressures on all services, local authorities may not have sufficient resources to respond if demand exceeds expectation.

2.8 The examples from our case study areas in this report show how different authorities are addressing the areas of biggest risk around uncertainty in demand from carers and self-funders. They show how they have developed new initiatives or built on existing ways of working to help achieve the Care Act's objectives. Helping to empower people who use care and support, their families, and carers, to be able to find help, and maintain their independence.

2.9 This report has highlighted the issues our case study areas told us were important to them in implementing the Care Act. Local authorities may find this experience informative as they continue to develop their own approaches to implementing the Care Act.

⁸ Comptroller and Auditor General, *Care Act first-phase reforms*, Session 2015-16, HC 82, National Audit Office, June 2015.

Appendix One

Our audit approach

1 This is a local government report published under the Comptroller and Auditor General's new powers under the Local Audit and Accountability Act 2014. These allow the Comptroller and Auditor General to examine the economy, efficiency and effectiveness with which local authorities use their resources in discharging their functions. The purpose is to provide evaluation, commentary and advice of a general nature to local authorities. It complements the report *Care Act first-phase reforms* published on 11 June 2015.⁹

2 For this report we analysed the insight gained from nine case study areas to highlight the solutions each have developed to help them manage the changes required by the Care Act.

⁹ Comptroller and Auditor General, *Care Act first-phase reforms*, Session 2015-16, HC 82, National Audit Office, June 2015.

Appendix Two

Our evidence base

- 1 We relied on the findings detailed in our report *Care Act first-phase reforms*.¹⁰
- 2 We selected nine case study areas to cover a range of local authority types, in different regions, experiencing different pressures from Care Act implementation. We spoke to directors of adult social services, Cabinet members for social care and other senior officers responsible for Care Act implementation in nine case study areas:

- Bracknell Forest Council;
- Devon County Council;
- Durham County Council;
- Lincolnshire County Council;
- London Borough of Lambeth;
- Redcar and Cleveland Borough Council;
- Staffordshire County Council;
- Suffolk County Council; and
- Wakefield Council

¹⁰ See footnote 9.



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