



# EXECUTIVE BOARD DECISION

<b>REPORT OF:</b>	Executive Member for Adults Social Care & Health, Executive Member for Digital and Customer Services
<b>LEAD OFFICERS:</b>	Strategic Director of Adults and Health, Strategic Director of Resources (SIRO)
<b>DATE:</b>	Thursday, 12 January 2023

<b>PORTFOLIO/S AFFECTED:</b>	Adults Social Care & Health
<b>WARD/S AFFECTED:</b>	(All Wards);
<b>KEY DECISION:</b>	N

**SUBJECT: Digital solutions for Adults Social Care**

## 1. EXECUTIVE SUMMARY

The purpose of this report is to provide an update to the Executive Members on the digital solutions required to comply with legislative changes in Adults Social Care. Specifically these refer to the governments Build Back Better Policy linking to the introduction of the Health and Care Act 2022. Under the Care Act 2014 the Local Authority also has a legal duty to ensure a sustainable care market is in place to meet assessed needs.

Mosaic (now owned by the Access Group) and its associated architecture has not had significant investment since it was implemented in 2016 and this will now restrict our ability to meet necessary legislation changes if we do nothing.

Work has already commenced to move our Mosaic architecture to the cloud. This will enable us to move to the latest version of Mosaic (version 22 and we are currently on version 4) and we have the option to take additional modules which will enable us to meet legislative requirements around charging and assessment.

The governments cap on care initiative has been the subject of separate reports to Executive Board. In summary the Government have requested that Local Authorities undertake a Fair Cost of Care exercise and submit Market Sustainability plans and the Government intend to introduce a cap on care whereby nobody will pay more than £86k for care in their lifetime. Initial timescales for implementation of the charging reforms which included the care cap and new means testing were set by Government for October 2023 and Local Authorities were required to set up care meters and accounts for everybody who is or maybe entitled to eligible care (including self-funders) from April 2023. However in the recent Autumn budget Statement on 17th November 2022, the Chancellor announced delays to the implementation of the Adult Social Care Reforms stating that the ASC Dilnot reforms would be delayed for a further 2 years.

We await further details on these delays and the exact implications for Local Authorities as it is anticipated that some aspects of the reforms such as Fair Cost of Care will continue. The charging reforms require IT products to ensure that the service has the tools to deliver. Mosaic (Access Group) and other providers have already worked with government to develop a set of products which will

ensure consistency nationally and they are each working to the same standard. The Local Authority expected to purchase new modules which will help overcome significant operational challenges with the system. Despite the delays to reforms announced by the Chancellor the Adults department still need to progress with system developments in order to meet required engagement with our citizens and care providers. There is already significant change involved with our move to the cloud including considerable business testing and the project will also finally allow for the integration with LPRES.

We have been approached by the Access Group with an offer of reduced costs to modernise our current product range and enable additional legislation to be met in relation to the Adult Social Care charging Reforms and this offer remains in place following the Autumn statement however the Adults department now wish to negotiate with Access Group to explore the inter-dependencies and other options for Mosaic modules. In addition there are other digital solutions and systems which require investment to support the department to meet its statutory obligations in respect of managing the care market and delivering the Governments reforms for Fair Cost of Care and Market Sustainability.

## **2. RECOMMENDATIONS**

That the Executive Board:

- Notes the procurement of the PAMMS solution for market management has been progressed and approved via Officer Decision.
- Agree a supplementary capital estimate of £62,000 for the acquisition of additional modules of the Mosaic System, to be funded through an existing government grant;
- Approves the procurement of the Care Cubed Commissioning Toolkit;
- Approves the re-contracting of the current Mosaic system from the 1<sup>st</sup> April 2023 for a two year period with the option to extend for a further two one-year periods.
- Approves the reallocation of £25k from the earmarked ICT Capital Reserve to fund the move to a new database.
- Notes the proposed increase to the Adults revenue budget of £98k for the 2023/24 financial year rising to £117k from the 2024/25 financial year to meet the additional maintenance costs.

## **3. BACKGROUND**

Following the previous update to Executive Board in August 2022, there is now a need to procure several digital solutions for the changes to Adult Social Care and expiry of current contracts. These are outlined as follows:

### **1.1 Care Cap and Means Testing**

Although delayed by two years the Charging reforms will require Councils to offer and provide new ways of charging and financial assessment. Blackburn with Darwen will ultimately need to have the ability to ensure that eligible individuals can meter towards the care cap and access financial assessment for the extended means test. Self-funders in residential care will also be able to request that the Local Authority arranges their care so new care and financial assessments will be required.

There will be a legal obligation to give all those classed as having eligible needs an individual Care Account that they can access. These will need to be able to interface with the Councils website.

The Access Group are developing a Care Account Portal in line with government specifications and as such we would like to procure this. The options below have not been fully explored in detail but the following have been discussed and evaluated;

- Option 1 – Offer the Minimum Viable Product. The DHSC have been working with providers of Social Care Case Management Systems to develop a minimum viable product which will provide some changes to existing systems to meet the new charging reforms. However as a minimum product there will be significant resource requirements on the LA with assessment activity creating a requirement for manual processes and additional workforce in both social care and finance. Initial analysis undertaken as part of the Newton Review of charging reform suggests additional operational cost of at least £300,000 and we have estimated a requirement of at least four new Social workers and at least 2 new Financial Assessors.
- Option 2 – Access Group Care Account – this will provide 4 new modules for our existing Mosaic system and provide ;as follows;
  - (i) The social care database where purchase of the up to date version is underway
  - (ii) Care Portal
  - (iii) Care Account Hub
  - (iv) On line Financial Assessment
  - (v) On line Needs Assessment

The four modules will enable citizens or someone on their behalf to complete online assessments; monitor their cap and be a single source of information on eligibility and financial status. It will enable social work and Finance staff to seamlessly connect systems to ensure a smooth interface with client needs and charging.

The preference is option 2, however following the Chancellors announcement to delay charging reforms, the Access group are continuing with the modules detailed above. As previous time pressures are now alleviated we propose to enter into more detailed discussion with Access group to understand the inter-dependencies of each module and to explore alternative options to develop the Mosaic system/portal to meet the department's needs. The Department however are still including the approval of this element of the contract within the approvals should discussions progress and the Council decides to take advantage of the discounted package they are offering.

### **Timescales**

Access Group have committed that the portal would be ready to commence implementation in March 2023 in line with initial charging reform implementation. Clearly we now have additional time for that implementation, however it is important that we are able to consider options with Access Group and be at the 'front of the queue' as there are a potential 48 other customers who will also want to progress this work once further clarity on the reforms is received from Central Government.

### **Costs**

The charging model that has been used by the Access Group in terms of costs for this is split by adult population within the local area. A discount has been offered of £77,184 if contracts are signed before 31<sup>st</sup> January 2023 and Access Group are maintaining this offer. Those Councils that sign up will be served first. Those that don't will need to wait for development updates with no guarantee timelines will be met. If the Government changes policy, Access Group have confirmed there will be no charge as a consequence of signing up.

The total cost over 3 years is £225,766 (includes discount)

Further discussions with the Access Group will determine whether the above offer is revised. Key benefits and risks are still applicable as the Council will seek to continue with the implementation of online assessment tools and citizens access.

### **Key Benefits**

- Online assessment tools allowing citizens to work out their eligibility prior to applying

- Transparency to users
- Comply with legislation
- Not having a portal would lead to increased administrative / officer time
- Enable portability of assessments as and when residents move between different boroughs
- Potential for some government funding support ( see risk below)

## **Risks**

- The council having an additional citizen portal may lead to confusion. Future development plans may allow for this to be integrated with the Digital Customer Portal but there is not commitment from Access Group to this at this time.
- The product is still in development.
- The product will not be released until March 2023.
- Some of the cost will be reimbursed by the government however the amount, if any, taking account of the current national political changes is unknown.

## **1.2 Care Market Management Solution**

Under the Care Act 2014 (Section 5(1)), the Council has a legal duty to develop and manage a sustainable care market to ensure eligible needs can be met locally. The digital product used for this is separate to the above. The contract for the current Care Market Management Solution (ADAM) used across Lancashire County Council, Blackpool Council and Blackburn with Darwen Council ends in March 2023 with no option to extend this.

The procurement selection process completed by Lancashire County Council for a replacement has now concluded and resulted in just one viable provider. The new solution recommended is a highly capable, best in class system which is widely used across the country, including in exemplar areas such as the north east ADASS region and Greater Manchester. The Provider Assessment and Market Management Solution (PAMMS) Care Market Management Solution, provided by The Access Group represents a significant upgrade on the existing tool in all areas. Access Group have purchased this product as their business model now embraces this whole area.

This does come at a significant increase in costs and there are a number of options for allocating those costs across the ICB being discussed at the Health and Social Care Partnership Board.

There was a deadline of 27th November to notify the bidder of award, due to changes in the procurement framework being used. We have now confirmed via officer decision that BwD wish to proceed with LCC as the G Cloud commissioning system will be decommissioned at the beginning of November.

## **1.3 Care Cubed**

Care cubed is a commissioning tool which allows Local Authorities to benchmark provider fees and utilise as a means of costing some packages of care, so that commissioning is cost effective. This can also be applied across Children's services. The system also includes training and support in relation to negotiations with providers which is particularly important for the most complex/high cost placements. It is stand alone and does not link to the Access Group offer.

This is currently a very manual process with no clear benchmark of cost. This process is undertaken by the Commissioning Team and is reliant on their judgement of 'reasonable costs' and individual discussion/negotiation with providers on each complex care package. As such the outcome is often determined through those negotiation skills and does not reflect any consistency. Often the negotiations have an imbalance as the business operators as business owners, negotiate hard. Council commissioners negotiate without seeing the real cost incurred and profit margins etc. The

product therefore ensures best value can be evidenced and has the potential to reduce expenditure particularly in high cost, highly complex cases.

## Recommendation

We would continue with the above process from within the commissioning team, however given we have finite resources within our complex case team the scope to target our highest cost packages will be limited. Levels of efficiency are difficult to determine but these are our highest cost placements for very complex needs so packages can be in excess of £3k per week. As such, we recommend the implementation of this system as it is likely to pay for itself. In accordance with the council's Contract and Procurement Rules an exemption for a direct contract award has been approved. The exemption will be on grounds of awarding a contract direct to them as a 3 year pilot scheme to fully access the savings that will be made.

## Timescales

The price is discounted by 21% until the 31<sup>st</sup> January 2022.

## Costs

£57,250 over 3 years

Carecube - Option 1 - Council Licence - just Adults				
	Year 1	Year 2	Year 3	Total
Software, support & housing	£15,750.00	£15,750.00	£15,750.00	£47,250.00
Premium Implementation	£10,000.00	£0.00	£0.00	£10,000.00
	£25,750.00	£15,750.00	£15,750.00	£57,250.00

## Key benefits

- Explore the potential of using this across the ICB to get some consistency around placement / package costs.
- Other Local Authorities already use Care cubed across both Children's and Adults and have made efficiencies in placement costs.

## Key risks

- Further revenue pressures

### 1.4 Imosphere

This is a digitally based personal budget calculation tool that is fully compatible with Mosaic. When a Social Worker completes an assessment, a care plan is produced outlining the eligible needs. Once all therapeutic and rehabilitative programmes have been put in place, a base line is established and care plan produced via the Mosaic system. There is a legal requirement (Care Act 2014) for every care plan to include an indicative budget against eligible needs. That budget is currently costed through an outdated costing tool. The Imosphere system constructs a full database of market costs. Algorithms are then used to populate unit cost and the system then automatically generates the pounds value on the care plan. This results in a consistent, evidenced way to calculate the budget. Councils such as Rochdale and Oldham successfully use this system. Work is underway to cost the purchase which will be in the region of £25,000 per year. The costs have not been included in the paper as yet as work is still ongoing to explore the value in BwD.

### **1.5 Re-contract of the existing Mosaic system**

The current main support contract for the Mosaic system is due to expire on the 31<sup>st</sup> March 2023, There have been multiple contract amendments during the course of the contract resulting in various elements which no longer end on the same date. A new contract will be established to commence from the 1<sup>st</sup> April 2023 for a two year period with the option to extend for a further two one-year periods. This will cover all elements of the existing contract and the new requirements. Over recent years government has realised the requirement for Councils to be able to contract for their existing key systems and therefore the contract will be executed through the Crown Commercial Services Data and Application Solutions (DAS) procurement framework, which allows direct award when relating to existing systems. The new contract will include all of the following elements;

- The existing support for the Mosaic system
- The new costs for the Cloud hosting of the Mosaic system
- The new care cap and means testing solution

The existing LPRES and Mini Spine elements aims to establish data interoperability across the health and social care system. Exchanging a range of data, including but not limited to, discharge summaries, PACS images, patient care summaries, medication information and clinical correspondence. With the Mini Spine enabling users to search for and validate NHS numbers. This part of the contract is not yet live but is expected to be implemented following the move of the system to the cloud. As well as this there is a contract with a separate company to provide the connectivity between the Council and the NHS.

The database that the Council currently uses for the Mosaic system will shortly become unsupported by the supplier, as such there is a requirement for the supplier to migrate BwD to a new version to ensure continuity of the service.

### **4. KEY ISSUES & RISKS**

The key issue and risk with the proposed system development is a lack of clarity on the Governments proposals for charging reforms following the delays announced. These announcements change the timescales around implementation of legislation but not the requirement for the local authority to progress with the system developments to assist with compliance.

Risks noted above under each system.

### **5. POLICY IMPLICATIONS**

This will link to the Councils evolving digital strategy and integration work. It will also need to be considered when Children's services consider any changes to liquid Logic.

### **6. FINANCIAL IMPLICATIONS**

**Care Cap Package**

The estimated cost of purchasing and implementing the additional 4 modules over a 3 year period for the Mosaic System is £226k broken down as;

Full Care Cap Package (Access Group)				
	Year 1	Year 2	Year 3	Total
Software, support & housing	£80,400	£80,400	£80,400	£241,200
Implementation	£61,750			£61,750
Minus Pre-purchase discount	£25,728	£25,728	£25,728	£77,184
	£116,422	£54,672	£54,672	£225,766

As a result, it is recommended that the Executive Members agree a supplementary capital estimate for £62k which will be funded from the additional grant funding that has been received from government. The expected costs from the supplier are currently estimated at £32k for the works however it will be subject to a cap of £62k.

### Move to the Cloud and SQL

For the move to the Cloud there will be a new revenue cost per annum of £52k, this will be partly offset by the removal of an existing contract for Oracle licences of £9k resulting in a budget shortfall of £43k per annum.

There will be a one off Capital cost of £25k for the move to the new database, this will be funded from the earmarked ICT Capital Reserve.

### LPRES and Mini Spine

The original implementation costs for this and revenue costs to the 31<sup>st</sup> March 2023 were funded through a grant from the NHS. The ongoing revenue implications for these are listed below;

	Annual Cost
LPRES	£8,000
Mini Spine	£7,000
Connectivity	£4,200
Total	£19,200

Due to the delays in implementation there are still sufficient grant monies to fund this software for the next financial year however a revenue budget increase will be required from the 2024/25 financial year. The total revenue implications are as set out in the table below:-

	2023/24	2024/25 onwards
LPRES & Mini Spine		£19,200
Care Cap package	£54,672	£54,672
Move to the Cloud	£43,000	£43,000
Totals	£97,672	£116,872

This will be funded through growth in the Council budget from the 2023/24 financial year. It should be noted that the revenue costs for the Care Cap package and LPRES will only commence as these

areas are being delivered to the Council so the revenue implications in the 2023/24 are likely to be less.

### Overall Expected costs of the new contract with the Access group

The overall maximum contract value of the new contract excluding inflation if both extensions are taken is £653,438 as set out in the table below:-

	Capital Costs	Annual Revenue	Total Contract Value over 4 years
LPRES & Mini Spine		£15,000	£60,000
Care Cap package	£61,750	£54,672	£280,438
Move to the Cloud	£25,000	£52,000	£233,000
Existing Support		£20,000	£80,000
Totals	£86,750	£141,672	£653,438

### Care Cubed Package

As indicated above, the cost of Care Cubed is estimated at £57k over 3 years. Funding for Care Cubed will be provided from within the Departments existing budget envelope.

## 7. LEGAL IMPLICATIONS

Although implementation of some of the charging reforms have been delayed again (e.g. the cap on care costs), the council will be required to comply with all legislative requirements and fulfil our statutory duties under the Care Act 2014 as and when they are brought into force by central government. These recommendations should assist us in working towards reaching that position. The procurement process complies with the regulations of the Council's Contract and Procurement rules and the Public Contract Regulations 2015. All contracts and contract variations will be in a form approved by legal officers in the Commissioning and Procurement team.

## 8. RESOURCE IMPLICATIONS

Adults Services, Digital and IT, HR, Procurement support all required.

## 9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1  Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2  In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3  In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

At this stage the department cannot fully access the equality aspects of the software until this is developed further, prior to any roll out of the software an EIA will be done at this point which will be approved by departmental EIA leads and legal services. The Council will ensure the software will not reduce equality and that this will be part of the development process.

## 10. CONSULTATIONS

None

## 11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

## 12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

<b>VERSION:</b>	<b>1</b>
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<b>CONTACT OFFICER:</b>	<b>Laura Crabtree, Peter Hughes</b>
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<b>DATE:</b>	20/12/2022
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<b>BACKGROUND PAPER:</b>	Exec Board Decision 11 <sup>th</sup> August 2022 – Social Care Reforms
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