



# EXECUTIVE BOARD DECISION

<b>REPORT OF:</b>	Executive Member for Adults Social Care & Health
<b>LEAD OFFICERS:</b>	Strategic Director of Adults and Health
<b>DATE:</b>	Thursday, 7 September 2023

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

**SUBJECT: Government reform to Adult Social Care**

## 1. EXECUTIVE SUMMARY

The purpose of this report is to provide Executive Board with an update on the key changes in respect of Government reforms to Adult Social Care. A previous report to the Executive Board in August 2022 detailed the key changes in respect of Social Care Reforms after publication of the Governments Building Back Better Plan and White Paper for reforming the delivery of Adult Social Care ('People at the Heart of Care').

Government have now paused until 2025, a number of aspects of the Social Care reforms and a number of changes to the Statutory Framework for Adult Social Care have been introduced. The key changes will be highlighted through this briefing paper.

## 2. RECOMMENDATIONS

That the Executive Board:

- Note the update provided in relation to the Government Reforms to Adult Social Care and in particular:
  - a) Care Sector Market Management, Sustainability and Workforce
  - b) Regulation of Local Authorities by the Care Quality Commission (CQC)
  - c) The introduction of new performance measures by Local Authorities by the Office for Local Government (Oflog)
  - d) Changes to the Statutory Reporting Framework for Adults – Client Level Data and Adults Social Care Outcomes Framework

## 3. BACKGROUND

As set out in Finance Council 2023, the Government have delayed the national rollout of the Adult

Social Care charging reforms from October 2023 to October 2025, however both the Fair Cost of Care and Market Sustainability requirements of the reforms were continued. In the Autumn budget statement 2022 the Government set out funding for the Market Sustainability and Improvement Fund and have required Local Authorities to evidence how they have utilised this funding on 3 key priority areas.

Having launched the Market Sustainability and Improvement Fund (MSIF), worth £1.4 billion nationally over 2023/24 and 2024/25, the Government have ring-fenced this funding to support local authorities to make improvements in adult social care capacity and services.

The Government have now announced an additional £600 million to be provided to adult social care across 2023/24 and 2024/25. The MSIF Workforce Fund is worth £570 million nationally over 2023/24 and 2024/25. This makes substantial additional in-year resource available to further boost capacity, allowing councils to support the adult social care workforce. Nationally the new funding will be worth an additional £365 million in 2023/24 and £205 million will be added to the £845 million of existing MSIF funding in 2024/25. Allocations of the MSIF for Blackburn with Darwen, and compliance with the grant determination are set out in the detail of this report.

Changes to the Care Quality Commission (CQC) regulation of Adult Social Care Services commenced in April 2023. CQC aim to streamline and simplify their assurance process by creating one single assessment framework against which to assess Health and Social Care. The overarching CQC strategy describes a core ambition of tackling health inequalities and ensuring that people receive high quality care and support. The revised CQC strategy has four main themes:

- People and communities: Regulation that is driven by people's needs and experiences, focusing on what is important to people and communities when they access, use and move between services
- Smarter regulation: Smarter, more dynamic and flexible regulation that provides up-to-date and high-quality information and ratings
- Safety through learning: Regulating for stronger safety cultures across health and care, prioritising learning, improvement and collaboration - valuing everyone's perspective
- Accelerating improvement: Enabling health and care services and local systems to access support to help improve the quality of care where it is needed most

CQC continue to work with Local Authorities and wider partners to develop their assurance framework, refine their approach and issue guidance to support inspection readiness. Further details around the assurance framework and BwD inspection readiness is contained within the body of this report.

Executive Board will be aware that Oflog has been introduced by the government as a new performance body aimed at understanding and supporting local government performance across England. It seeks to provide greater transparency and accountability in local authorities' performance by collecting and analysing data in key areas. It will serve as a regulatory body, will offer guidance and support to local authorities and give recognition to Councils that perform well.

The establishment of the new system will help to emphasise devolving powers and funding to communities while ensuring effective accountability. The objective is to create a framework where councillors and the public feel confident and have access to necessary information to scrutinise local decisions. The 4 initial areas of performance that will be examined include two areas from the Adults and Health Department: Adult Social Care and Adult Skills.

In addition to the Oflog changes the government have also changed policies in relation to the statutory reporting framework for Adult social Care performance metrics. Changes in respect of the

Adult Social Care Outcomes Framework (ASCOF) and the new Client Level Dataset requirements are detailed in this report.

All of these reforms represent significant change to the legislative framework that Adult Social Care works within

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

The key issues and risks in respect of each of the areas of government reforms are detailed below:

##### **Market Sustainability and Improvement Fund**

The MSIF is provided to meet local pressures, and so local authorities can choose to use the funding to:

- increase fee rates paid to adult social care providers, particularly as we continue to prepare for the implementation of charging reform
- increase adult social care workforce capacity and retention
- reduce adult social care waiting times

The initial allocation of MSIF for BwD was £1.7m and this has been wholly utilised to increase the care sector provider fees in 2023/24. The local authority have complied with the first round grant conditions and submitted the required metric reporting and market sustainability plans.

The additional grant allocation announced in July 2023 totals £1.1m for BwD in 2023/24 and again the same requirement is place on local authorities to make improvements in the three areas outlined above. The remaining grant conditions are:

- that the local authorities must allocate their full funding allocation from the grant on Adult Social Care. Local authorities must confirm that this has been added to their existing ASC budgets.
- local authorities must evidence improvement in at least one of the target areas using DHSC performance metrics. The target areas chosen should support the most pressing needs in the local authority area
- local authorities must provide a final report in May 2024 on spend and progress. This must record all DHSC target area metrics: workforce recruitment and retention, reducing waiting times and increasing fee rates.

Work is underway to determine how the additional funding will be allocated across the three priority areas and any financial implications will be factored into the Medium Term Financial plans as part of the Council's budget process. It is important to acknowledge the additional burdens of reporting on the numerous grants within the Adults and Health department including MSIF.

##### **Care Quality Commission (CQC) Regulation**

CQC will be assessing all Local Authorities (LAs) with Adult Social Care (ASC) responsibilities on how they carry out their duties under Part 1 of the Care Act. There is a general focus on 4 overarching themes:

1. How local authorities work with people
2. How local authorities provide support
3. How local authorities ensure safety within the system

## 4. Leadership

CQC have chosen their five pilot assessment sites, and at the time of writing, three councils; Lincolnshire, Nottingham City and Birmingham City Council have had their visits from the CQC assessors. North Lincolnshire and Suffolk will be assessed in the coming weeks.

For each local authority in the pilot, CQC will provide a report and indicative scores for all the 4 quality statements. The Department of Health and Social Care (DHSC) has also requested an overall indicative rating be provided. CQC will publish findings on their website.

CQC are constantly evaluating their approach throughout the pilots. They will incorporate any learning into formal assessments, which will start later this year, rather than in September as previously planned. The approach to formal assessments may be subject to further government approval, as required by the Health and Care Act 2022. The aim is still to have all LAs assessed within 2 years of the framework being released 01/04/2023.

### BwD Preparation

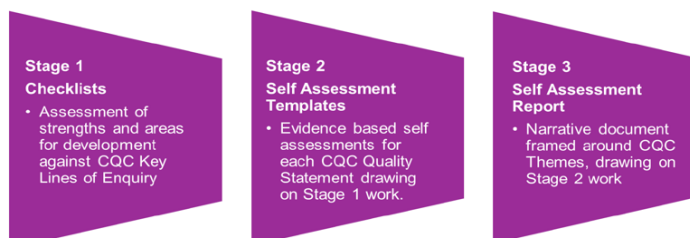
Once informed of our assessment date, CQC will submit a request for information to support their fieldwork activity in understanding how we deliver our ASC functions. This documentary evidence may include items such as plans, policies, procedures, reports and data.

The Quality Assurance Team have been working closely with subject matter leads, under the 4 topic areas, to collate as much evidence as possible given our current knowledge, informed by ADASS recommendations and feedback from the pilot sites. So far:

- 70% of evidence has been gathered and is proceeding through sign off and publication on tri-x or store in evidence library
- 27% of evidence is in the process of being gathered and has a named lead/owner
- 3% of evidence represents a gap and is currently subject to discussion and risk assessment

The Quality Assurance Team meet with subject matter leads on a weekly basis to ensure traction on evidence gathering. There is also a monthly governance Group which facilitates the official sign off of evidence and highlights any risks.

It is strongly recommended that Local Authorities complete a self-assessment as part of their assurance readiness work. We have been working on completing our self-assessment using the 3-stage approach recommended by ADASS as below:



Self-assessment is a 3-stage process

Stage 1 – Completed

Stage 2 – Completed

Stage 3 – In progress

The first iteration of our self-assessment report will be shared for discussion in the Governance Group on 29/08/2023. From there, further amendments will be made, and a final version shared for sign off.

It has been requested that LAs share a copy of their self-assessment with North West ADASS by 29/09/2023 to inform a region-wide analysis of themes. This Sector Level Improvement activity is welcomed and we plan to share our assessment.

## **Office for Local Government (OFLOG)**

The Office for Local Government (OFLOG) is an office of the Department for Levelling Up, Housing and Communities (DLUHC).

The vision for OFLOG is to provide authoritative and accessible data and analysis about the performance of local government, and to support its improvement.

OFLOG have created a Local Authority Data Explorer Tool, which is designed to present an overview of LAs performance. Currently the data explorer covers 4 areas of performance. These are:

- Adult Social Care
- Waste management
- Adult skills
- Local authority finance

Executive Board are asked to note that 50% of the indicators initially used to assess the performance of Local Authorities relate directly to the Adults and Health Department.

The following table illustrates the definition and data source of each ASC indicator which will form part of the OFLOG data return.

Indicator	Rationale/Definition	Source
Requests resulting in a service (per 100,000 pop)	The number of support requests received from new clients by local authority that resulted in a service, per 100,000 population.	Short and Long Term (SALT) Return
Workforce turnover	The proportion of directly employed staff in the formal care workforce leaving their role in the past 12 months	ASC Workforce Data Set by Skills for Care
People in ASC quality of life	This measure is intended to provide an overarching view of the quality of life of people receiving council-funded social care. Questions cover eight domains: control, dignity, personal care, food and nutrition, safety, occupation, social participation and accommodation. Each question has four possible answers ranging from 'no needs met' to 'no unmet needs'.	Adult Social Care Survey
Carers of people in ASC quality of life	This measure is intended to provide an overall view of the quality of life for unpaid carers. Life outcomes are mapped to six domains: occupation, control, personal care, safety, social participation and encouragement, and support. Each question has three possible answers and is given equal weight.	Survey of Adult Carers
Short term service provision	Individuals that received a short-term service during the year (who previously did not receive services) where the follow up was either no ongoing support or support of a lower level as a percentage of all individuals that received a short-term service.	Short and Long Term (SALT) Return
People who use services who found it easy to find information	Percentage of individuals who selected the response 'very easy to find' and 'fairly easy to find' to the question: 'In the past year, have you generally found it easy or difficult to find information and advice about support, services or benefits?'	Adult social Care Survey
Carers who found it easy to find information about services	Percentage of individuals who selected the response 'very easy to find' and 'fairly easy to find' to the question: 'In the last 12 months, have you found it easy or difficult to find information and advice about support, services or benefits?'	Survey of Adult Carers

## **The Client Level Dataset (CLD)**

Client Level Data is a new quarterly and mandatory reporting requirement introduced from April 2023 with the first submission on 31/07/2023. This will eventually replace the Adult Social Care Short and Long Term data set (SALT). Client Level Data will contain records of the main events and interventions in an adult's social care journey once they have approached the LA for care and support. This data will feed into the metrics included within the Adult Social Care Outcomes Framework (ASCOF) and will be used by the OFLOG.

Some benefits of Client Level Data include the fact that it will provide more frequent and timely national and regional data around demand, activity and the provider market, along with a better

oversight of the social care system. It will provide more flexible analysis from national client level records, including demographics and a detailed understanding of pathways and financial costs of care. Client Level data will also link health and social care records at a national level providing a greater understanding of the interactions between health and social care systems.

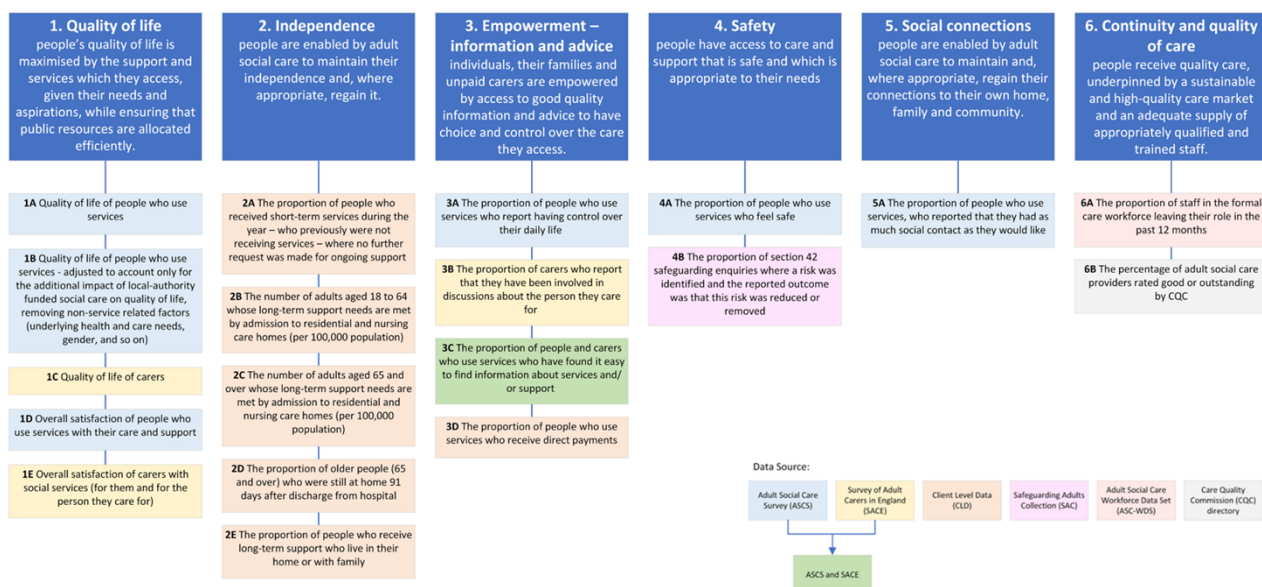
Some risks associated with introducing Client Level Data include the fact that the dataset is to be submitted quarterly rather than annually and that CLD and SALT will run concurrently for the first year whilst work continues to ensure accurate data capture and reporting against clear definitions still being developed by the Department of Health and Social Care. This will involve making changes to our client record system, Mosaic, to ensure that we can meet all requirements going forward.

## The Adult Social Care Outcomes Framework (ASCOF)

ASCOF has been published annually since 2011 and is used locally, regionally and nationally to measure progress against key priorities and to strengthen transparency and accountability. Importantly, it measures how well care and support services achieve the outcomes that matter most to people.

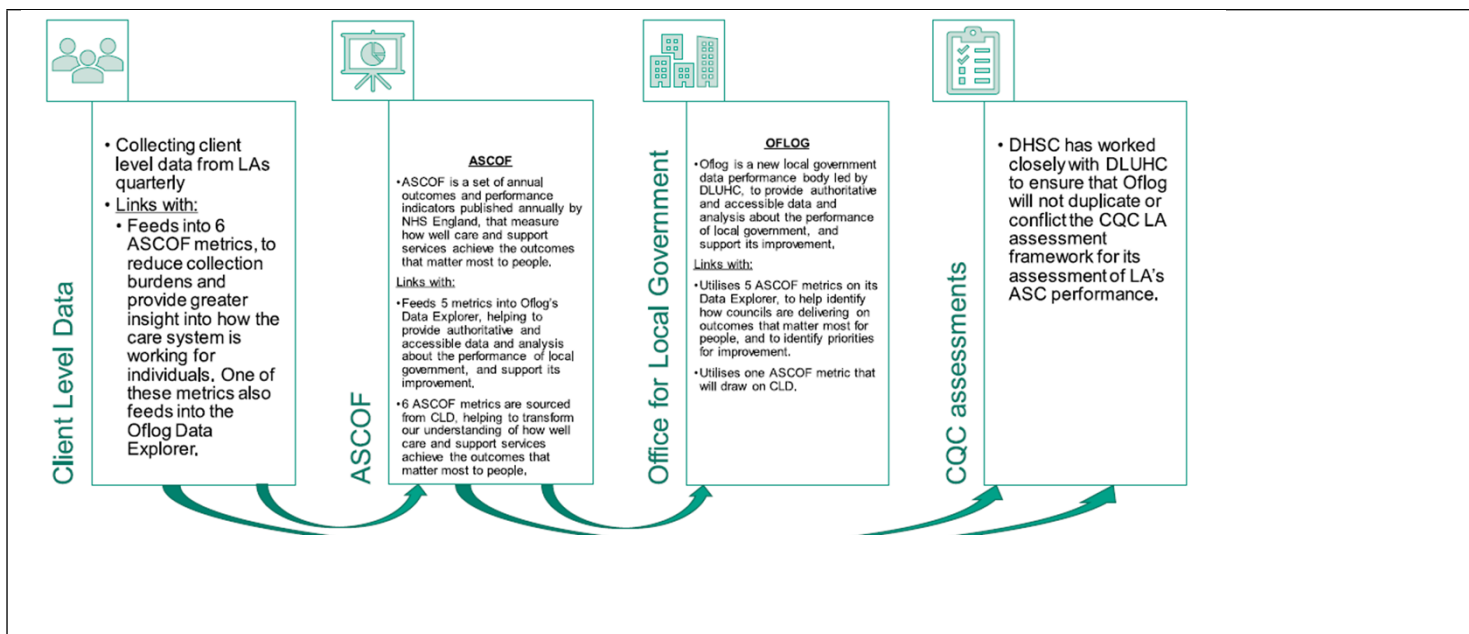
The recent regulatory and data submission changes called for a review of the framework. As a result, a number of new metrics have been introduced, various existing metrics have seen revised definitions and others have been completely removed from the framework.

The illustration below shows the 6 key objectives of the ASCOF framework, the measures under each objective, and the data return from which the measure is derived.



## Summary of Data Sets

Finally, the illustration below shows how the 4 data sets associated with Client Level Data, ASCF, OFLOG and CQC fit together.



## 5. POLICY IMPLICATIONS

None with this report, however policy changes required as a result of the government reforms and legislative changes within and across social care will be considered and further updates reported to Executive Board as needed.

## 6. FINANCIAL IMPLICATIONS

There are significant financial implications associated with the changes to reforms which are not yet fully known or quantified.

At its simplest:

- There are additional costs relating to the establishment of a Performance, quality assurance and business intelligence function to manage our assurance, evidence and statutory reporting requirements. The cost of this will be managed from existing resources identified from the Adults and Health budget.
- There will be significant cost to provide sustainable fee rate for providers. Whilst the additional Market Sustainability funding in 23/24 and 24/25 is welcome any investment in provider fees is a recurring cost in the council's budget.
- The need to implement and maintain new systems or adaptations to our existing systems to fulfil our statutory reporting requirements.

Whilst these would seem to be the most obvious cost implications there are other financial risks and issues, which have already been stated within the report that the local authority needs to understand in relation to the full impact and overall cost of the regulatory changes. These include but are not limited to:

- There are very significant costs associated with any CQC judgement which is not good or outstanding.
- Increased resources required in other parts of the Council, for instance finance, HR, procurement, legal services. With respect to legal services, we are already experiencing a significant increase in

Court of Protection activity linked to highly complex casework (approximately a 110% increase in contentious casework over the last 12 months) in addition to high levels of non-contentious court work and advice work (e.g. safeguarding, funding disputes etc).

The spending and utilisation of additional grants allocated to the portfolio in respect of these reforms are planned considering all relevant factors and the associated grant determinations. Reporting requirements and performance metrics are provided to the DHSC within the required timeframe to ensure compliance.

## 7. LEGAL IMPLICATIONS

None with this report however the Council is now subject to additional statutory requirements under social care legislation (CQC inspection, Oflog regulation and amended statutory reporting requirements) and must work within this updated legislative framework to comply with its statutory duties.

## 8. RESOURCE IMPLICATIONS

The initial resource implications are being managed within the existing Commissioning and Finance team within Adults and Health. Further resource implications are anticipated and will require further assessment to understand the full resource implications. Continued Member and Officer time and commitment are required in order to achieve the changes required from these reform.

## 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)*

## 10. CONSULTATIONS

Consultation has been ongoing and undertaken with DHSC and Local Authority. Consultation is undertaken by the Local Authority with care providers via a number of provider forums

## 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>Zoe Evans, Katherine White</b>
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<b>DATE:</b>	25 <sup>th</sup> August 2023
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<b>BACKGROUND PAPER:</b>	
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