

**London Borough of Enfield
[Cabinet]**

Meeting Date: 06/07/2022

Subject: Adult Social Care Finance & Charging Reform
Cabinet Member: Councillor Alev Cazimoglu
Executive Director: Tony Theodoulou

Key Decision: 5448

Purpose of Report

1. The purpose of this report is to provide an update to Cabinet on the Health and Social Care reform requirements of the government's Health and Care Act 2022. Government funding (with specific settlements for Local Authority areas yet to be determined) over the next three years (from 2022/23 to 2024/25 totals £5.4 billion nationally).
2. The introduction of new legislation to address the lifetime costs of care for vulnerable residents aged 18 and over and the sustainability of funding for Adult Social Care and care providers is welcomed. However, given the delay in getting the legislation through parliament, a significant amount of work remains to be done in a relatively short space of time.
3. The areas of focus within this report are the Care Cap and Fair Cost of Care. The report seeks delegated authority from Cabinet to the Cabinet member for Health and Adult Social Care in consultation with the statutory Director of Health & Adult Social Care to develop and implement appropriate fully costed plans in order to deliver these reforms. These costed plans, for the purposes of this report, are necessarily limited to work and resources needed for additional staff and IT systems development needed in order to be ready for the 1st April 2023.
4. The specific areas of work contained within the action plan include:
 - a) A needs analysis to determine what additional demand (people accessing services) is likely to be generated by these reforms.
 - b) Establishing fair cost of care tools (this is being done nationally) to determine whether placement and care package costs are sustainable for our providers.
 - c) Workforce planning and training to establish what additional staff/kind of staff roles will be required to meet this additional demand.
 - d) A financial impact analysis to cost out what this additional demand and fair cost of care work is likely to cost and whether these costs can be met from

government funding made available in financial years 2022/23 and 2023/24.

- e) A communications and engagement plan to ensure that all stakeholders are appropriately consulted on the proposed changes and appropriate channels of communication established (including a possible duty to consult on any changes required or where there is Council discretion).
 - f) IT systems and process development to enable all new and existing and new people accessing Care Act eligible and chargeable services have a Care Account in place by October 2023 with staff appropriately trained and supported.
- 5 Specific areas where delegated authority is sought include:
- a) the deployment of grant funding received from government in 2022/23 and 2023/24 and use of Adult Social Care reserves to fund additional staff posts and IT systems development needed to meet the requirements of the reforms.
- 6 And to note:
- b) The requirement to complete a Fair Cost of Care exercise to be submitted to the Department for Health and Social Care by no later than the 14th October 2022.
 - c) The revised Care Act 2014 charging regulations which require the Council to introduce new charging thresholds and the Care Cap.
 - d) The potential risk of increased costs (uplifts) of care to providers consistent with 'Fair cost of Care assessment
 - e) The potential impact on Adult Social Care finances and income of the Care Cap which sees the introduction of new charging thresholds and the lifetime limit on the amount a person has to contribute towards the costs of their care.
 - f) The need to undertake engagement and consultation activities as required by the reforms with all relevant stakeholders, including the wider public.
- 7 Given that the final financial allocations related to the fair cost of care (for services) and the introduction of the Care Cap have not yet been agreed, it remains to be seen whether the financial settlement will be sufficient to meet the increase in demand and cost that will result from these reforms. This may be an area of financial risk for the Council. IT/systems also represent a risk given the need to develop new systems and processes relatively quickly. Equally, workforce planning and recruitment for the additional staff needed to meet the increased demand for all associated statutory Care Act related work will represent a significant risk. This at a time where recruitment and retention

of skilled and appropriately trained staff is already proving to be a challenge for Councils.

- 8 The statutory Director of Health and Adult Social Care as the programme lead, has taken direct responsibility for the delivery of this significant programme of work.
- 9 Where financial settlements relevant to these reforms are still not known and the incurring of financial liabilities is required to meet necessary actions, funding may be drawn down from the Health and Adult Social Care reserve.
- 10 A further update to Cabinet is proposed for January/February 2023 to advise on progress made with the Council's action plan and whether anticipated costs are met within government allocations.
- 11 Appendix A to this paper outlines the estimated funding required to meet the costs of additional staff and IT systems developments in order to be ready for 1st April 2023 and to meet the requirements of the new legislation.

Proposal(s)

Cabinet is asked to:

- 12 Note the legislative requirements of government on the Local Authority and associated financial risk as a consequence of the Health and Social Care reforms outlined in this report and summarised in section 6 b) to f).
- 13 Delegate authority to the Cabinet member for Health and Adult Social Care in consultation with the statutory Director for Health and Adult Social Care as set out at section 5 a) to deploy government funding for these purposes with any such funds required for drawdown before receipt of government grant or any shortfall in funding from government grant to be met from Health & Adult Social Care reserves already in place.
- 14 To note that the meeting of any such requirements with regards to the Fair Cost of Care exercise and the introduction of the Care Cap in financial year 2023/24 which exceeds the government allocation of funding (as yet unknown) will be declared as part of the Council's annual Medium Term Financial Planning process.
- 15 Receive a further update report on progress made on implementing the reforms and the financial impact on the Council in early 2023.

Reason for Proposal(s)

- 16 These reforms are predated by work done by Sir Andrew Dilnot in 2011 in which it was concluded that the adult social care system was not fit for purpose and required more funding – both from individuals and the state – for it to be sustainable. The report further found that the system was confusing, unfair and unsustainable. The principles of the Dilnot report have been

brought forward into legislation by the government within the Health and Care Act 2022. Changes to the Care Act 2014 will also be required as a result of this legislation.

- 17 These reforms will have a significant impact on Local Authorities and on the vulnerable people with whom they work. The statutory Director of Health and Adult Social Care currently chairs the Adult Social Care Reform programme board which oversees the delivery of projects needed to meet the requirements of this reform.
- 18 Given that work is currently progressing and not all of the financial detail is known/confirmed, a further update to Cabinet on the Council's state of readiness to implement the reforms in October 2023 is advised.

Relevance to the Council Plan

Good homes in well-connected neighbourhood

- 19 Supporting people to live independent lives in good quality homes in their community remains a cornerstone of the Council's strategy and the reforms once introduced, will enable the Council to support more people in this way.

Sustain strong and healthy communities

- 20 Social care reform places a cap on personal care costs that people will need to meet in order to meet their eligible care and support needs. It also enables more people to ask for help from the Council to assess these needs, with a focus on supporting more people with the burden of care costs and early intervention to prevent the deterioration of health resulting in care needs.

Build our local economy to create a thriving place

- 21 Local People have appropriate access to local health and social care services in their community which promote inclusion and continued development of employment opportunities for local people working in health and care services.

Background

- 22 In September 2021, the Government set out plans to reform Adult Social Care in England. The reforms are to be funded through a new tax, the Health and Social Care Levy. £5.4 billion of revenue from the levy will be spent on adult social care over the next three years (2022 to 2025). £3.6 billion will be used to reform how people pay for chargeable Adult Social Care services with the balance used to help local authorities fund a "fair cost of care" and wider system reforms.
- 23 Cap on care costs - From October 2023, the Government plans to introduce a new £86,000 cap on the amount anyone in England will have to spend on their personal care over their lifetime. The cap will apply irrespective of a

person's age or income. The legislative framework for a cap is already provided by the Care Act 2014.

- 24 Only money spent on meeting a person's personal care needs will count towards the cap. Spending on daily living costs (commonly referred to as "hotel costs" in a care home) is not included. The Government has said daily living costs will be set at £200 per week.
- 25 Funding provided by the Local Authority towards a person's care costs will not count towards the Care Cap.
- 26 The cap will not apply retrospectively (ie costs accrued before October 2023 will not count towards the cap).and Local Authority contributions will not count towards the cap.
- 27 Changes to the social care means test - from October 2023, the Government proposes to make changes to the means test for accessing local authority funding support. The upper capital limit (the threshold above which somebody is not eligible for local authority support) will increase from £23,250 to £100,000. The lower capital limit (the threshold below which somebody does not have to contribute towards their care costs from their capital) will increase from £14,250 to £20,000.
- 28 Fair cost of care reforms - Local Authorities can use their position as a large purchaser of social care to obtain lower fee rates. Providers often charge people who fund the whole of their own care costs more for the same service. In order to tackle this disparity, provisions in the Care Act 2014 will be brought into force enabling self-funders to ask their local authority to arrange their care for them so that they can benefit from lower rates.
- 29 £1.4 billion will be provided to local authorities over the next three years to support them to increase the rates they pay to providers where necessary (move towards a "fair cost of care").
- 30 The Health and Social Care Levy has been introduced to fund these changes. The levy will be introduced in two stages.
- 31 In 2022/23: the rate of primary Class 1 National Insurance contributions (NICs) for employees charged on their earnings, the rate of secondary Class 1 NICs for employers charged on their employees' earnings, and the rate of Class 4 NICs for the self-employed charged on their trading profits, will be increased by 1.25 percentage points.
- 32 In 2023/24: a separate levy set at 1.25% will be introduced, replacing the temporary increase in NICs rates. People in employment who are over State Pension age will also have to pay the levy. Currently, pensioners are not liable to pay NICs on any earnings they receive from employment. The Government also plans to increase the rates of income tax that apply to income from dividends.
- 33 The Office for Budget Responsibility forecasts the levy will raise approximately £12.5 billion per year in net additional government spending

capability. The dividend tax is forecast to raise £900 million per year by 2026/27.

- 34 The Health and Social Care Levy Act 2022, which provides for the temporary increase in NICs rates for 2022/23 and the introduction of the new levy from 2023/24, received Royal Assent on 20 October 2021.
- 35 Although total funding amounts have been identified, no confirmation has been received as yet as to what individual Councils will receive in order to fund these changes.
- 36 The impact of these changes in Enfield will be reflected in the following ways:
 - 37 Increased assessments, reviews, and care management responsibilities.
 - 38 The increase in both the lower and higher thresholds which affect when the Council starts to pay for care and how much it contributes.
 - 39 The introduction of the cap which limits the amount that individuals might contribute towards their cap.
 - 40 The implementation of Section 18 (3) of the Care Act for those in care homes. This means that self-funders can ask the local authority to commission care at local authority fee levels.
 - 41 Increased annual price and pay inflation above previous budget planning assumptions in line with a local authority's overall increased expenditure on adult social care services.
 - 42 Increased resources required to manage contacts / enquiries from residents and provide information, advice and advocacy. This is likely to include both increased internal resources and potentially increases to the scale of contracts with external organisations for these services (typically provided by the voluntary sector).
 - 43 The need to implement and maintain new systems or adaptations to existing systems to enable Care Accounts to be set up and people's metering towards the cap to be tracked. These systems will then need to be integrated with the main adult social care system to enable a smooth transition when people reach their cap.
 - 44 Potential increases to adult social care debt, as people may be less willing to pay charges before they reach their cap and subject to policy decisions the total amount local authorities bill may increase (dependent in part on whether local authorities can pay people direct payments net of assessed charges).
 - 45 Increased resources required in other parts of the Council, for instance finance, HR, procurement, legal services.
 - 46 The introduction of the Care Cap is likely, according to government analysis, to result in 80% of people who are currently privately self-funding their care, approaching the Council for support. There will also be a proportion (more

difficult to estimate) of families supporting loved ones themselves without Council help. This is where the increased volumes of people requesting Care Act assessments will come from. Work is being done to finalise the estimates of what this will mean for Enfield, but early indications estimate that up to an additional 1,250 people will initially come forward as a result of these reforms.

- 47 The Fair Cost of Care element of these reforms will require each Local Authority to provide transparent information in the public domain as to how its cost fees are calculated. This will apply to care home fees and domiciliary care services provided in the community. National tools are currently under development in order to provide some consistency in the approach to doing this. The financial impact of this remains uncertain at this stage in the programme. Once the tools are finalised, however, the process for assessing the financial impact will effectively be the difference between what the fair cost of care tools estimate and what the Local Authority currently pays.
- 48 Although the detail of what government allocations to each Local Authority will be is not yet known, Enfield has used current funding allocations formulae to estimate that the Council will receive approximately £7.58m in 2023/24 to fund care cap and fair cost of care requirements and £10.83m in 2024/25.

Main Considerations for the Council

- 49 The requirements of the Health and Care Act 2022 will result in a significant increase in demand for Adult Social Care support from the Council.
- 50 The introduction of Care Accounts will require the development of IT systems and processes to manage these.
- 51 Establishing a transparent process for determining a fair price for care is likely to present a significant financial pressure to the Council.
- 52 Financial allocations which support the delivery of these requirements are currently estimates so still not known.
- 53 Workforce development plans will focus on the additional recruitment and skills needed to meet the increase in demand for support. Where there are currently issues in recruitment and retention in both qualified and unqualified (practitioner) roles, this is likely to place increased pressure on Local Authorities competing for additional and appropriately skilled and knowledgeable staff.

Safeguarding Implications

- 54 Good safeguarding practice acknowledges the complexity of people's lives, the many enablers and barriers they may face to keeping them safe and well and most importantly, what they want to do about it. It can be a challenge for practitioners to balance a person's priorities and aspirations for safety and wellbeing with their professional judgement of risks and the evidence they are

presented with. Person-centred and strengths-based practice approaches are key to finding this balance.

- 55 The Health and Care Act 2022, with regard to the finance and charging reforms, whilst generating additional demand, will also encourage more people, either currently privately funding or managing within their own resources, to seek support from the Council. This is to be welcomed and provides additional assurance that where support is provided in whatever form, appropriate measures are in place and monitored in order to ensure that we continue to help keep our most vulnerable residents safe.
- 56 With regards to the recruitment of additional staff to do Care Act assessments and reviews, consideration will need to be given to the type and level of staff to be recruited. This will also be driven by the introduction of other legislation (The Mental Capacity (Amendment) Act 2019. The Liberty Protection Safeguards (LPS) will provide protection for people aged 16 and above who are or who need to be deprived of their liberty, in order to enable their care or treatment and lack the mental capacity to consent to their arrangements. People who might have a Liberty Protection Safeguards authorisation include those with dementia, autism and learning disabilities who lack the relevant capacity. Work to understand the skills mix required and additional resource required as a result of these two significant legislative changes will be led by the Principal Social Worker and the Principal Occupational Therapist.

Public Health Implications

- 57 As stated previously the intention of these changes is to make the provision of social care more equitable and coherent. However, there appears to be at the very least a significant risk of short-term turbulence in the assessment of care needs and the provision of social care within the borough. This would obviously be despite the best endeavours of the Council, and we take note also of the comments above regarding the potential training and recruitment requirements implied by these measures. If successful, these changes have the potential to assist in reducing health inequalities within the borough. Given the complexity and challenges involved we applaud and support the proposal to provide a further report to Cabinet in October 2023. As any adverse consequences would tend to fall upon those already sustaining the worst physical and mental health inequalities an incremental monitoring approach would be welcome.

Implications provided by Mark Tickner 04/05/2022

Equalities Impact of the Proposal

- 58 A full Equalities Impact Assessment has been completed and is attached to this report as Appendix B.
- 59 Adult Social Care is currently and will continue to be subject to eligibility rules that discriminate positively for people with illness, disability and care needs as well as people caring for them.

- 60 The government has introduced new legislation, which includes within it the aim to deliver Adult Social Care Charging Reforms (The Health & Care Act 2022).
- 61 As a direct result of this new legislation by October 2023 there will be more generous means testing regulations in place, which includes the introduction of a Care Cap – people who pay a contribution towards the costs of their care will not pay more than £86,000 within their lifetime. People who have sufficient financial resources under the current charging regulations to fund the costs of their own care can ask the Local Authority for a Care Act Assessment. There will be a new duty for local authorities to assure themselves of the sustainability of their care markets (Fair Price for Care).
- 62 There are currently around 6,500 people aged 18 and over receiving chargeable services from Adult Social Care and an estimated number of people in excess of 1,200 self-funding their own care arrangements in the borough (not known to the Local Authority). The number of care providers (delivering care and support) across the Enfield markets is in excess of 300.
- 63 The direct beneficiaries of the (amended) policy will be those who require formal support for their care needs. The policy will help these individuals plan for and manage the costs of their care, and will offer increased protection for people's income, assets and wealth. It will also provide greater peace of mind in relation to people's future ability to access care and would mean that individuals are more able to access care that is appropriate for their eligible needs. These benefits will apply to both those who currently have care needs, and those who may require care in the future. While the policy provides specific protection for people with a range of care needs and income, assets and wealth, it is expected that the policy will have particular benefits for:
- those with more intense or longer lasting care needs
 - those who are less able to plan for the future because their care needs are complex or unpredictable
 - those whose income, assets and wealth mean that they have more uncertainty over how they will meet the cost of care for these needs in the future
- 64 It is also expected that this policy will benefit unpaid carers by offering them greater peace of mind about the potential future care and care costs of the person for whom they are caring.
- 65 This policy will have benefits for the general population in that it will provide peace of mind and increased certainty over future ability to meet the costs of care from all those who could potentially have care needs in the future, regardless of whether they actually go on to develop these needs.
- 66 Monitoring information, where proportionate and appropriate, will be collected and analysed in order to establish on an ongoing basis, any positive or negative impacts on people eligible for Care Act 2014 support.

Environmental and Climate Change Considerations

Not applicable

Risks that may arise if the proposed decision and related work is not taken

- 67 If not agreed, The Council will not be able to deliver projects which support the changes needed to deliver against the new legislative requirements of the Health and Care Act 2022. This poses a significant reputational risk to the Council should the Local Authority not be able to respond to the requirements of these legislative changes and resultant demands on Health and Adult Social Care service.
- 68 Estimates that Councils will see demand for services increase by up to 25% with up to 1,250 additional people approaching the Council for support. Failure to plan for the capacity and resources required to meet this need poses a significant risk, not only with regards to the welfare of people in need of care and support, but also to staff working in front line services and to the Council's partnerships across statutory and non-statutory services. Services would very quickly become overwhelmed because of the increase in demand if not planned for and funded appropriately.
- 69 All people who will be in receipt of chargeable Adult Social Care Services will be eligible to receive a care account from the 1st October 2023. Failure to fund and provide for an IT solution which meets this need will open the Council up to legal challenge.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

- 70 It is possible that the increased demand for support and services and costs attached to that support will exceed the funding (yet to be finally determined) allocated to the Council by government. Work is underway to address the needs analysis required to support this. A financial reserve has been made which is ringfenced to Adult Social Care to fund any short-term shortfall in funding. Any longer-term shortfalls will be identified and planned for as part of the Council's Medium Term Financial Planning process.
- 71 In addition, the IT system requirements needed to support the introduction of Care Accounts may be delayed. Contingency arrangements for this are being considered as part of the planning process. These contingency arrangements will include the use of another system and development of a local system to meet the care account requirements.
- 72 There is a risk that additional front-line staff required to meet the increased demand will remain extremely hard to recruit, given current difficulties in this market (for qualified staff). Planning is underway to understand the scope and breadth of roles required and proactive recruitment campaigns will be in place. This will include the development of more unqualified roles. This work

is being led by the department's Principal Occupational Therapist and Principal Social Worker.

- 73 A risk register is in place to monitor the management and mitigation of these risks. This will be subject to regular review at the Social Care Reform Programme Board chaired by the Director of Health and Adult Social Care. It will also be shared with and reviewed scrutiny panels, the Council's Digital Board (for IT project)

Financial Implications

Provided by Mark Astbury 04/05/2022

- 74 As part of the changes introduced through the Health and Social Care Act 2022 the Government has announced plans to substantially increase funding for health and social care over the next three years (2022- 2025), to be funded by a new tax, the Health and Social Care Levy.
- 75 The funds from the Health and Social Care Levy will be ringfenced for investment in health and social care. The levy will be based on National Insurance contributions (NICs). From 2023, the levy will also apply to individuals working above State Pension age, who are currently liable to pay NICs on their earnings. The government also plans to increase the rates of income tax that apply to income from dividends.
- 76 £5.4 billion of revenue from the levy will be used to support adult social care in England over the next three years (2022-2025) as follows:
- i. £3.7 will be used to introduce a cap on care costs and reform the social care means test. The funding will also be used to help local authorities better sustain their local care markets by moving towards a fairer cost of care, and
 - ii. £1.7 billion will be used to support wider system reforms
 - iii. Much of the detail has still to be worked through to fully understand the financial implications, although the major financial implications to local authorities will be around the introduction of the Fair Cost of Care and Charging Reform.

Fair Cost of Care (Returns due 14th October 2022)

- 77 Local authorities are required to carry out an exercise to survey a range of providers (representative of the local market) as part of the cost of care exercise, to improve their understanding of the actual costs of delivering care in their area. Local authorities are required to use the exercise to determine and report the median actual operating costs for 65+ Nursing and Residential Care and 18+ Home Care, plus evidence and values for return on capital and return on operations. Together these make up the fair cost of care.

- 78 A provisional market sustainability plan is required to be submitted to DHSC by 14 October 2022, outlining the Council's assessment of the sustainability of the local care market in relation to 65+ care home services and for 18+ domiciliary care services, which:
- i. takes into account the results from the cost of care exercises
 - ii. considers the impact of future market changes over the next three years, particularly in the context of adult social care reform, and
 - iii. sets out an outline action plan for addressing the issues identified and the priorities for market sustainability investment
- 79 The Government have provided funding through the "Market Sustainability and Fair Cost of Care Fund". For 2022/23 the LBE allocation is £877,000. Up to 25% of this funding in 2022/23 may be spent on implementation activities associated with preparing markets for reform. The remaining seventy-five per cent of the funding, or if the Council incurs implementation costs amounting to less than twenty-five per cent of the allocation, must be used to increase rates if current rates are below the fair cost of care (in respect of residential and nursing care for those aged 65 and over, and domiciliary care for those aged 18 and over, including those who operate in extra care settings).
- 80 Charging Reform (from October 2023)
- 81 There are four separate elements in respect of charging reform which will have a financial impact on local authorities:
- i. An increase in the number of assessments, reviews, and care management responsibilities to include eligible self-funders,
 - ii. The increase in both the lower and higher financial assessment thresholds which affect when the public sector starts to pay for care and how much it contributes,
 - iii. The introduction of the care cap which limits the amount that individuals might contribute towards their cap.
 - iv. The implementation of Section 18 (3) of the Care Act for those in care homes. This means that self-funders can ask the local authority to commission care at local authority fee levels.
- 82 Financial models are currently being developed locally and nationally to assess the impact on individual authorities and support national lobbying in advance of the 2023/24 Local Government Finance Settlement.
- 83 No individual local authority funding allocations have yet been made in respect of Charging Reform and, at this stage, it is not clear whether the £3.7bn funding available will be enough to cover the costs of these changes.

Legal Implications

Provided by I. Deuchars on 28/04/22 on report received on 22/04/22

- 84 Local authorities have legal responsibilities under the Care Act 2014 to assess and help vulnerable people with their social care needs. The local authority has a duty to meet an adult's eligible needs and a power to charge them for services provided.
- 85 The proposal set out in the Health and Care Act 2022, will, once in force, bring in significant changes in relation to how local authorities will be able to charge for social care. The reforms are summarised in the paragraphs above. The Act has recently been agreed by both Houses of Parliament and has received Royal Assent.
- 86 The new law is expected to come into force in October 2023. Prior to this, the local authority may need to carry out a public consultation and publish a new social care charging policy. Any such consultation will need to be fair, transparent and allow stakeholders a reasonable opportunity to respond. The consultation and charging policy will also need to comply with the requirements of the Equality Act 2010.

Workforce Implications

- 87 Workforce planning and training will be required to establish what additional staff and types of staff roles will be required to meet this additional demand. Workforce development plans will focus on the additional recruitment and skills needed to meet the increase in demand for support. Issues in recruitment and retention in both qualified and unqualified (practitioner) roles will need to be considered and an action plan put in place to address this.

Provided by Jane Parsley 03/05/2022

Property Implications

- 88 The proposals in this report identify the likelihood of an increase in workforce. When the details of the potential changes to the workforce have been determined, the accommodation implications will need to be understood through detailed interaction with relevant teams, being Operational Estate Management, Facilities Management, and Build the Change. Should new accommodation requirements be required, these will need to be presented to the Accommodation Board, as well as any other relevant Board, such as a Build the Change board or the Property Board. Any new accommodation requirement is likely to have their own financial implications which will need to be taken into account in the holistic appreciation of financial implications to this report.

Provided by A Smallwood 27/04/2022

Other Implications

89 At this stage, it is considered there are not any substantial implications for procurement. However, the service area will continue to engage with Procurement Services as appropriate moving forward.

*Procurement implications provided by Mathew Jones, Category Manager
26/04/2022*

90 Digital implications – From October 2023 all recipients of chargeable Adult Social Care services will be required to have a Care Account which will monitor their progression (through payment of assessed fees and charges) towards the Care Cap. OLM is the system provider for Health & Adult Social Care. This project has been approved at the People IT Board (19th April 2022) and by the Council's Digital Board. National specifications for the Care Account module have been produced and shared with IT providers. It is intended that a functioning test system be available by no later than April 2023 in order to allow sufficient time for testing preparation to take place for the roll out in October 2023.

91 Experience of adding new modules to existing products (such as Revenues and Benefits) to introduce new statutory changes is as follows:

- Of key implications, such as Security, Infrastructure, Rollout of the applications, etc and longer-term procurement and discovery, these can be generally light touch or discounted.
- That means the costs tend to be as a proportion of the existing system costs (currently around £250k pa). And a one-off implementation cost from the supplier, plus some internal DS costs to manage that implementation.
- Therefore, it may be a reasonable assessment that a new module may add between £50 to £100k p.a. for the existing system and a similar cost for one off implementation.
- Existing DS resources may need to support implementation and they may need to be backfilled. A reasonable assumption would be the equivalent of MM1 post for the period of implementation.

23/06/2022 - Martin Sanders – Head of Digital Services.

Options Considered

92 Implementing changes required by legislation introduced by government will require as a legal duty the Council to introduce systems, processes and plans largely prescribed within the legislation and policy.

Conclusions

93 The introduction of new legislation to address the lifetime costs of care for vulnerable residents aged 18 and over and the sustainability of funding for Adult Social Care and care providers is welcomed. However, given the delay

in getting the legislation through parliament, a significant amount of work remains to be done in a relatively short space of time.

94 The financial impact and government settlement for Councils is yet to be finalised/determined. It does, therefore, remain to be seen whether the financial settlement will be sufficient to meet the increase in demand that will result from these reforms. This remains an area of risk to the Council. IT/systems and workforce planning are also areas of risk. Failure to plan for and mitigate these risks poses a significant financial and reputational risk to the Council.

95 The statutory Director of Health and Adult Social Care as the programme lead, has taken direct responsibility for the operational delivery of actions required to deliver this significant programme of work. Regular updates, oversight and governance arrangements will be in place in order that members and Senior Officers across the Council are kept up to date with progress/implementation plans. This will include further updates to Cabinet before the end of this financial year (2022/23).

Report Author: Doug Wilson,
Head of Strategy, Service Development & Resources
Email: Doug.wilson@enfield.gov.uk
Tel: 020 8132 0499

Date of report: 25/06/2022

Appendices

Appendix A – Potential financial impact of Social Care finance reforms
Appendix B – Equalities Impact Assessment

Background Papers

none