

ADULT CARE AND WELL BEING OVERVIEW AND SCRUTINY PANEL 20 MARCH 2024

DEMAND AND EFFICIENCY MANAGEMENT – ADULT SOCIAL CARE

Summary

1. The Panel will consider an update on actions and plans to manage efficiencies and demand in Adult Social Care.
2. The Cabinet Member with Responsibility for Adult Social Care and the Strategic Director for People have been invited to the meeting to update on progress and to respond to any queries the Panel may have.

Background

3. On 15 February, Council endorsed the 2024/25 budget and 2025-28 medium term financial plan. The Council was informed that overall, there is a gross forecast pressure of £20 million relating to Adult Social Care, including the structural deficit of £5.9 million. This pressure includes the impact of increasing demand, complexity of care and price inflation as well as pay and general contract inflation.
4. These inflationary and demand related pressures have been seen to significantly increase since 2021/22 and the expectation is that this will continue in the coming years due to Worcestershire's ageing population and increasing costs of care.
5. The 2023/24 budget is expected to overspend by c£9 million prior to mitigation, and the impact into 2024/25 is expected to be significantly higher due to the full year effect of clients entering the care system this year, forecast future demand growth and the increasing costs of care.
6. The forecast has been based on numbers in care continuing to rise at a similar rate to the increases in 2023/24, along with the impact of the current increase in unit costs being paid to providers. This is a national issue being seen by councils across the country, following the effect of increases in unit costs due to the increases in utility, food, transport, and wage costs. Demand on the County Council for care is, on average, growing by 5% per year and the cost to the County Council when buying care has increased by at least 7% in most areas, with significantly higher increases being seen in nursing care and supported living packages, where increases of more than 20% are not uncommon.
7. As part of scrutiny of the 2024/25 Budget, the Panel has been provided with additional information about the financial impact on placements for adults.

8. The budget for 2024/25 includes £3.5 million additional for Adults Social Care placements demand. This is in addition to the £6.3 million for the impact of inflation, £2.4 million for rebase and £1.9 million relating to pay, £5.9 million relating to the structural deficit, bringing the total additional funding for Adults Services (including Provider Services of £0.7 million), to £20 million. The table below gives an overview of the forecast cost of demand and price increases for 2024/25:

Adult Social Care Investment	£m
Additional demand increases along with complexity/acuity for older people	1.6
Growth in number and complexity of care packages for adults with a learning disability	1.2
Increase in number of mental health packages of care	0.3
Growth in number and complexity of care packages for adults with a physical disability including those transitioning from Children's Services	0.4
Demand and Growth Increase in Adult Care	3.5
Pay inflation across Adult Care Services	1.9
General inflation and price increases across Adult Care Services	6.3
Rebase of Public Health and one-off savings	2.4
Additional Investment into Adult Social Care	14.1
Structural Deficit	5.9
Total Investment into Adult Social Care (including Provider Services)	20.0

9. In response to the increasing demand and costs associated with the provision of adult social care, against a backdrop of the financial challenges faced by the local authority, Adult Social Care is continuing on its journey to make changes and implement new ways of working to ensure demand and cost of adult social care is effectively managed.
10. These measures will ensure that the forecast increases in demand and price will be managed within the budget envelope available for Adult Social Care for 2024/25 and are additional measures, over and above the following specific cashable savings proposals:

2024/25 Saving	£m
Adult Services Review	1,310
Demand and price management	1,967
Increase in CHC income	500
Income increases based on benefit rate increases	2,000
Total	5,777

11. The People Directorate has also commenced a comprehensive staff engagement programme, in partnership with colleagues in Adult Social Care, Commissioning, Finance and Communities, to all managers and staff, ensuring that the Council and Adult Social Care financial position is clear to all. There is an absolute focus on prevention, demand management and ensuring the most cost-effective care and support solutions are offered to customers.

Measures Introduced to Manage Demand and Efficiency

Staffing

12. The Adult Social Care staffing structure has seen a reduction in approximately 9 posts from base budget. Some staff have chosen to reduce their hours and there is a firm commitment to reduce agency spend through a drive to convert agency staff to permanent roles and ceasing activity other than business critical areas, where all attempts to recruit have been unsuccessful. There have also been reductions in 7 posts in Commissioning.
13. The drive to increase permanent staffing levels in qualified social work roles, and reduce agency staffing arrangements is further supported through a newly introduced payment by results only contract with Sanctuary, who have worked with Adult Social Care to develop a new microsite to sell Worcestershire and market job opportunities nationally – whilst success has been challenging, due to Worcestershire County Council's salary levels, six permanent recruits have been secured to date.

Demand and Price Management Initiatives

14. A number of initiatives and measures are being progressed and these are set out in paragraphs 15 to 33 of the report.
15. **Expand the front door offer** with a focus on increasing and supporting independence of Worcestershire's residents. The Adult Front Door, which is where people in Worcestershire access adult social care and other care and support needs, is already evidencing a reduction in the demand being passed to social work teams for assessment. This will be supported through an audit process of any referrals that are passed to Social Work teams and are found to require no further action. Further development of this service, through the Targeted Adult Support Team, has increased the number of people being able to find information themselves (self- service) and moving more appropriate contact to the front door, including Safeguarding Referrals, will ensure demand continues to be managed effectively and social work staffing levels can remain optimum.
16. The Directorate will need to introduce measures to track the growth in numbers of people and implement measures to maintain the forecast net increase in demand to 2%.
17. **Strengthen the Council's information and advice offer** with a new Information and Advice Strategy drafted, working with partners to ensure that residents are supported with the correct information and advice, to help themselves and retain independence. A successful bid has been made (jointly with Herefordshire Council) for funds from the Accelerating Reform fund which, will enable this work to reach into communities further and faster in support of residents and/or their carers to support themselves.

18. **Increase capacity of Reablement Services** (support provided to people in their own homes to promote independence and reduce the need for long-term care and support) to enable all new customers presenting for adult social care support, to have a rehabilitation offer to increase and sustain their independence to minimise the need for adult social care support moving forwards.
19. **Reduce provision of double handed care** (where more than one carer is provided to deliver personal care in someone's home) with a view of providing appropriate equipment and support for customers to reduce their need for more than one resource to provide their adult social care support.
20. Other measures will include having assurances in place that best value guidance is being consistently applied, particularly in relation to the **Choice of Accommodation** Guidance policy and best value approaches for the care and support of people in their own homes.
21. Whilst it is acknowledged that the needs of the people that the Council serves can differ from one individual's circumstance to another, Adult Services will be looking to apply consistency of resources allocation in meeting people's needs, often through the application of senior management scrutiny.
22. Adult Services will also be working to launch an **Older Peoples Framework for Residential Care** and using the **Care Cubed** tool (a secure online tool to support transparent negotiation of costs for specialist care placements) for fee uplift negotiation with providers who serve the 18-64 age group and enabling brokerage to use this tool in other individual negotiations where this is necessary.
23. **Ensuring staff are appropriately equipped and trained to effectively use framework contracts in place.** A particular focus has been brought to ensuring void payments to Supported Living providers are reduced along with other measures to ensure the most efficient and effective approach to purchasing care and support. The success of the implementation of these flows will be audited by the commissioning unit in April/May 2024 in order to reinforce the need to ensure that *all* care packages are purchased right first time and to determine/implement any corrective actions, as required. The timeliness of purchasing care (and equally ending or amending care packages) on Council systems has also been stressed to avoid over and/or late/incorrect payments being made to providers that require subsequent correction and management.
24. The Directorate will need to monitor closely care and support activity levels against cost throughout the year on at least a monthly basis to ensure any corrective action is necessary to keep the budget on course.
25. **Joined up Review across Adult Social Care and All Age Disabilities** to understand the current and future plans for alternative best value equivalent options in this area. Some joint commissioning work has commenced with Worcestershire Children First for young people who will reach adulthood, which is already evidencing reductions in costs of packages of care. Adult Social Care are now represented on children's panels enabling earlier operational and commissioning conversations.

26. The Directorate will also need to ensure there is an approach to **transitions of children in care to adults** from non-regulated provision to more cost-effective provision within Adult Social Care.
27. **Shared Lives and Supported Living** - further opportunities are being sought to source alternatives to more expensive replacement care provision, in partnership with Children's Services as young people transition through from fostering support to Adult Social Care.
28. **Maximising income and reducing debt** through a particular focus on increasing Continuing Health Care (CHC) income, and a refreshed and targeted approach to reducing adult social care debt through the introduction of a Debt Panel with Legal Services, that will focus on cases identified as having the best potential for success. There will be further focus on debt write offs and potential to discharge the Council's duties in relation to provision. In addition, there will be a review of client contributions in line with any increase in their benefits. Changes to the Charging Policy will also enable ongoing increased charging for those in receipt of double handed care and replacement care.
29. Regarding **Independence Focused Domiciliary Care**, following successful award of all provider contracts, discussions are now progressing through the provider forum on how Adult Services can bring added focus to increasing customers' independence and reducing dependence on care.
30. **Bring capacity and ensure consistency in decision making** across all social work teams. The increase in capacity and offer from reablement will support Adult Services' ability to reduce provision of long-term services and/or delay decisions being made before care act eligibility is agreed on new cases. The new assessment and care plan process and paperwork will support improved recording of needs and risks to support decisions. A Physical Disability scrutiny meeting is being introduced to align to the existing Mental Health/Learning Disability scrutiny meeting that will consider packages of care, ahead of provision, so all placements for adults of working age and packages of care are under the same level of scrutiny and there is a clear understanding of the working age market and needs.
31. **Review of hospital discharge pathways** through pathway 3 (complex discharge patients when there is limited rehabilitation potential and they will go to a care home bed for assessment) to ensure most appropriate and best value options for ongoing care and ensure best use of Intensive Assessment and Rehabilitation Unit and Discharge to Assess (DTA) provision.
32. Stabilisation of the 18-64 markets and consideration of the implementation of a **framework for residential and nursing care** to commence during 2024/25, learning from the exercise which took place during 2023 in relation to older peoples residential/nursing care.
33. **Further transfer of the care element from domiciliary care to the Extra Care provider** which is already proving successful with savings ahead of schedule for delivery.

Legal, Financial, and HR Implications

34. All activity is underpinned by business cases for change and financial modelling with associated impact understood and tracked. Appropriate governance and decision making is made in relation to any known implications.

Equality and Diversity Implications

35. All initiatives are considered alongside completion of equality impact assessments, with identified actions being captured, managed and monitored during the processes of change.

Purpose of the Meeting

36. The Panel is asked to:
- Consider the update provided on Adult Social Care plans for efficiency and demand management
 - Agree any comments to highlight to the Cabinet Member

Contact Points

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Background Papers

In the opinion of the proper officer (in this case the Assistant Director for Legal and Governance), the following are the background papers relating to the subject matter of this report:

- Agenda and Minutes of the Adult Care and Wellbeing Overview and Scrutiny Panel on 22 January 2024 and on 5 December and 13 October 2023
- Agenda and Minutes of Cabinet on 10 January 2024

[All agendas and minutes are available on the Council's website here.](#)