

social care risk tool

Possible risk indicators to test out the risks of an individual local authority facing unsustainable financial pressures on its adult social services department

CIPFA and ADASS have developed an advisory risk assessment tool for discretionary use by councils with adult social care responsibility.

By assessing the extent to which various risk factors apply, the tool gives a broad impression of how challenging it is likely to be to generate future savings. The extent of difficulty faced will be a function of the proportion of the 26 questions for which a high risk position is indicated, and the scale and speed of savings required.

The aim is to facilitate informed consideration of the practical deliverability of budget proposals.

Whilst the ideal is that the tool is applied in a universal manner across councils to provide transparency and consistency, the tool is designed to allow for local interpretation and application. Some of the metrics are more illustrative than prescriptive, particularly those relating to unit costs, and councils may wish to adjust these to reflect local circumstances.

This is work in development and we will welcome feedback as to its usefulness and whether any changes would be helpful: please route via: paul.carey-kent@cipfa.org or: simon.williams@merton.gov.uk

A. Savings

	Indicator	Rationale	Assessment of risk (circle)		
1	Are there high percentage age savings since 2010/11 – local authority as a whole?	Higher savings may mean less scope to make further savings	Low	Medium	High
2	Are there high percentage age savings since 2010/11 – adult social care?	Higher savings may mean less scope to make further savings	Low	Medium	High
3	Is there low relative spend per head of population – Council as a whole?	Low spend per head may mean limited scope for savings given that local authority must meet legal requirements	Low	Medium	High
4	Is there low relative spend per head of population – adult social care?	Low spend per head may mean limited scope for savings given that local authority must meet legal requirements	Low	Medium	High
5	Are the relative cost of individual services low?	High costs may suggest that there is more scope to make savings. Low costs would imply that there is less scope to make further savings and may also imply that there is a risk that costs may need to increase. (see local pressures below).	Low	Medium	High
6	Is there a detailed adult social care savings plan beyond 2015/16?	Most savings take time to implement. Absence of detailed savings plans makes it more likely that an authority will be unable to manage within the resources available	Low	Medium	High
7	Is there a detailed adult social care savings plan beyond 2016/17?	Most savings take time to implement. Absence of detailed savings plans makes it more likely that an authority will be unable to manage within the resources available. This risk is less significant than the risk above.	Low	Medium	High

B. Local Pressures

	Indicator	Rationale	Assessment of risk (circle)		
8	Is there a relatively low cost of home care? (taking into account of whether the area is rural or urban)	Providers may not be meeting their obligations to pay the minimum wage including travelling time. Eventually local authority will have to pay more. Cost of home care will be higher in rural areas compared with urban areas due to longer travelling time between appointments and the cost of paying for travelling time.	Low	Medium	High
9	Is there a relatively low cost of residential care?	Providers may not be meeting their obligations to pay the minimum wage. Local authority may not be paying the "usual cost" of care. Eventually local authority will have to pay more.	Low	Medium	High
11	Is there low relative spend per head of population – Council as a whole?	Low spend per head may mean limited scope for savings given that local authority must meet legal requirements.	Low	Medium	High
12	Is < 10% of adult social care provision provided in-house?	In-house services are likely to be more expensive than externally provided services so there may be less scope for savings if significant outsourcing has already occurred. In some circumstances, though, where there is limited market capacity, in-house services may be the only way of providing a service.	Low	Medium	High
13	Are local providers relatively poor quality compared with national performance (based on CQC inspections)?	May have to pay more for acceptable care; additional resources required to manage failure; capacity may be reduced due to safeguarding concerns.	Low	Medium	High
14	Has the local authority accepted Council Tax freeze grant for some years?	More years = less income for the future.	Low	Medium	High
15	Is there a financially challenged health economy?	NHS may be less prepared to embrace integration; NHS may be more focused on internal NHS problems.	Low	Medium	High
16	Are demographic pressures above average?	More demand for services which will not be funded except by the Council.	Low	Medium	High
17	Are carer services comparatively poor?	Leads to more demand for services which will not be funded except by the Council.	Low	Medium	High
18	Are there high or increasing waiting lists?	Suggests that adult social care is not meeting eligible needs possibly due to shortage of either social worker/occupational therapist resources or lack of social care resources.	Low	Medium	High
19	Are there problems in recruiting the social care workforce?	If providers are unable to recruit then the cost of providing adult social care is likely to increase. If there are social worker/occupational therapist vacancies then waiting lists will increase (see immediately above).	Low	Medium	High

C. Culture and relationships

	Indicator	Rationale	Assessment of risk (circle)		
18	Have there been more than 2 Directors (of Adult Social Services) in the last 5 years?	Lack of stability at senior leadership.	Low	Medium	High
19	Is a high proportion of the corporate leadership team new to their role?	Combination of new and inexperienced Chief Executive/Chief Finance Officer/ Corporate Policy Lead may lead to unrealistic corporate planning decisions.	Low	Medium	High
20	Are there significant challenges to the Council as a whole – critical inspections; leadership change in challenging circumstances?	Uncertainty and change may make rational decision making more difficult (although in a dysfunctional organisation those changes may be essential).	Low	Medium	High
21	Is there a difficult relationship between Director of Adult Social Services and Chief Executive and/or Chief Finance Officer?	Good quality decision making is less likely.	Low	Medium	High
22	Are there difficult relationships with the local Clinical Commissioning Group(s)?	Integration much more difficult. System wide decision making more difficult.	Low	Medium	High
23	Are there complex relationships with the local Clinical Commissioning Group(s)?	Lack of co-terminosity with the Clinical Commissioning Groups will make relationships more complex. Integration may be more difficult and system wide decisions more difficult to make.	Low	Medium	High

Association of Directors of Adult Social Services / Chartered Institute of Public Finance and Accountancy, Dec 2015

Any feedback on this initial version of the tool is welcome:

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