

social care risk tool v2

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 34 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 tool is also available at www.cipfa.org/socialrisktool in an interactive version which allows you to benchmark your council's position.

A. Savings

	Indicator	Rationale	Assessment (circle)				
			To what extent does the factor apply?				
1.	Are there high % age savings since 2010/11 – local authority as a whole?	Higher savings may mean less scope to make further savings	1 (not at all)	2	3 (to some extent)	4	5 (strongly)
2.	Are there high % age savings since 2010/11 – adult social care?	Higher savings may mean less scope to make further savings	1	2	3	4	5
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	1	2	3	4	5
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	1	2	3	4	5
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].	1	2	3	4	5
6.	Is there a lack of a detailed adult social care savings plan beyond 2017/18?	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	1	2	3	4	5
7.	Is there a lack of a detailed adult social care savings plan beyond 2018/19?	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.	1	2	3	4	5
8.	If there is a detailed adult social care savings plan, are a high proportion of the savings speculative (i.e. there is a lack of clarity about how the savings will be made in practice?)	Plans need to be delivered. If there is a risk that a high proportion of savings cannot be delivered then there will be future financial pressures which will be difficult to manage.	1	2	3	4	5

B. Local Pressures

	Indicator	Rationale	Assessment (circle)				
9.	Is there a relatively low cost of home care taking account of whether the area is rural or urban?	Providers may not be meeting their obligations to pay the minimum wage or National Living Wage including travelling time. Eventually local authority will have to pay more to avoid market failure. 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.	1	2	3	4	5
10.	Is there a relatively low cost of residential/ nursing care?	Providers may not be meeting their obligations to pay the minimum wage and the National Living Wage. Local authority may not be paying the "usual cost" of care. Eventually local authority will have to pay more.	1	2	3	4	5
11.	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.	1	2	3	4	5
12.	Is the incidence of provider failure and/or contract handbacks increasing?	May have to pay more for acceptable care as well as the costs incurred in managing failure and/or re-commissioning services.	1	2	3	4	5
13.	Are local providers relatively poor in terms of quality compared with national performance (based on CQC inspections and/ or Safeguarding referrals)?	May have to pay more for acceptable care; additional resources required to manage failure; capacity may be reduced due to safeguarding concerns	1	2	3	4	5
14.	Is the NHS purchasing care at higher prices than the council?	Increased cost and/or capacity challenges	1	2	3	4	5
15.	Has the local authority accepted Council Tax freeze grant for some years?	More years = less income for the future	1	2	3	4	5
16.	Has the local authority not made full use of the adult social care precept and its council tax raising powers?	Not using the precept means that the resources available are less than they would be otherwise	1	2	3	4	5
17.	Is there a financially challenged health economy?	NHS may be less prepared to embrace integration; NHS may be more focused on internal NHS problems	1	2	3	4	5
18.	Are you relying on the local Sustainability and Transformation Plan to find significant savings to benefit adult social care?	This funding source is likely to be insecure because it depends on the financial position of the NHS locally and their attitudes to providing this support in both the short term and permanently	1	2	3	4	5
19.	Will the Sustainability and Transformation Plan lead to increased costs for adult social care which are not going to be funded by the NHS?	Resources not available to meet these increased costs thus increasing the financial pressures on adult social care.	1	2	3	4	5
20.	Will the Sustainability and Transformation Plan create workforce requirements which cannot be met?	If the workforce is unavailable this will increase the costs of providing care services or lead to increased waiting lists (see 22 below)	1	2	3	4	5
21.	Are older people demographic pressures above average?	More demand for services which will not be funded except by the Council	1	2	3	4	5
22.	Are younger adults demographic pressures above average?	More demand for services which will not be funded except by the Council	1	2	3	4	5
23.	Are carer services comparatively poor?	Leads to more demand for services which will not be funded except by the Council	1	2	3	4	5
24.	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	1	2	3	4	5
25.	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). If there are shortages in Nurses in Nursing Homes then quality is compromised and safeguarding activity may be necessary.	1	2	3	4	5

C. Culture and relationships

	Indicator	Rationale	Assessment (circle)
26.	Have there been more than 2 Directors of Adult Social Services in the last 5 years?	Lack of stability at senior leadership	1 2 3 4 5
27.	Is the Director of Adult Social Services new?	Directors will take some time (at least a year) to grow into the role.	1 2 3 4 5
28.	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	1 2 3 4 5
29.	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)	1 2 3 4 5
30.	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	1 2 3 4 5
31.	Are there difficult relationships between Councillors or between Councillors and officers?	Good quality decision making is less likely	1 2 3 4 5
32.	Are there difficult relationships with the local Clinical Commissioning Group(s) or NHS Trusts?	Integration much more difficult. System wide decision making more difficult.	1 2 3 4 5
33.	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.	1 2 3 4 5
34.	Are there difficult or complex relationships with District Councils (if applicable)?	System wide provision of strategic housing and/or community safety services may be compromised.	1 2 3 4 5
			34 x 5 = 170 max

Total score then populates temperature gauge: maximum score 34 x 5 = 170

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