

## Leicester City Council Scrutiny Review

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Title of Review:  
Understanding the increasing cost of care packages within Adult Social  
Care budgetary pressures

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A review of the Adult Social Care Scrutiny Commission

Date: 29<sup>th</sup> June 2021

## **Background to scrutiny reviews**

Determining the right topics for scrutiny reviews is the first step in making sure scrutiny provides benefits to the Council and the community.

This scoping template will assist in planning the review by defining the purpose, methodology and resources needed. It should be completed by the Member proposing the review, in liaison with the lead Director and the Scrutiny Manager. Scrutiny Officers can provide support and assistance with this.

In order to be effective, every scrutiny review must be properly project managed to ensure it achieves its aims and delivers measurable outcomes. To achieve this, it is essential that the scope of the review is well defined at the outset. This way the review is less likely to get side-tracked or become overambitious in what it hopes to tackle. The Commission's objectives should, therefore, be as SMART (Specific, Measurable, Achievable, Realistic & Time-bound) as possible.

The scoping document is also a good tool for communicating what the review is about, who is involved and how it will be undertaken to all partners and interested stakeholders.

The form also includes a section on public and media interest in the review which should be completed in conjunction with the Council's Communications Team. This will allow the Commission to be properly prepared for any media interest and to plan the release of any press statements.

Scrutiny reviews will be supported by a Scrutiny Officer.

### **Evaluation**

Reviewing changes that have been made as a result of a scrutiny review is the most common way of assessing the effectiveness. Any scrutiny review should consider whether an on-going monitoring role for the Commission is appropriate in relation to the topic under review.

**For further information please contact the Scrutiny Team on 0116 4546340**

<b>To be completed by the Member proposing the review</b>		
<b>1.</b>	<b>Title of the proposed scrutiny review</b>	<b>Understanding the increasing cost of care packages within Adult Social Care budgetary pressures.</b>
<b>2.</b>	<b>Proposed by</b>	<b>Cllr Melissa March, Vice Chair of Adult Social Care Scrutiny Commission.</b>
<b>3.</b>	<b>Rationale</b> Why do you want to undertake this review?	<p>In January 2021, Members of the Adult Social Care Scrutiny Commission raised their concerns over the increase in care package costs of £12.5 million in a single year. Members suggested that an in-depth review be carried out to investigate this further.</p> <p>Background:            In 2021/22 and beyond, the Adult Social Care division continues to face significant demand led pressures, including:</p> <ul style="list-style-type: none"> <li>• The growth in need of people already using services, resulting in additional support being added to their existing package of care.</li> <li>• The increase in the number of people requiring care, which is a consequence of demographic changes, as the population ages and as the number of people of working age who have care needs grows. There may also be ongoing needs resulting from Covid infections, such as from 'long Covid'</li> <li>• The unit cost of meeting need, which is rising by more than inflation, in large part, due to the impact of continuing increases in the National Living Wage (NLW) which drives care costs. The NLW will increase by 2.2% in 2021/22 (less than previously anticipated); the Government intends it to reach two-thirds of median wages by 2025, which implies higher increases in future years.</li> </ul> <p>The combination of the above pressures means the aggregate cost of social care packages is expected to increase by 12% in 2021/22. It is proposed to increase the budget for Adult Social Care by £10.2m in 2021/22 rising to £30.2m by 2022/23. Government support will meet some, but not all of these costs.</p> <p>Additional documents:  <a href="#">DRAFT GENERAL FUND BUDGET AND DRAFT CAPITAL BUDGET 2021/21 PDF 833 KB</a></p>
<b>4.</b>	<b>Purpose and aims of the review</b> What question(s) do you want to answer and what do you want to achieve? (Outcomes?)	<p>The review will aim to:</p> <ul style="list-style-type: none"> <li>• Better understand what drives the increasing cost of care services and</li> <li>• Identify the impacts on budget pressures</li> <li>• Seek to recommend ways of managing the impact on service users</li> </ul>

5.	<p><b>Links with corporate aims / priorities</b> How does the review link to corporate aims and priorities?</p>	<p>Leicester should be a great city to live in throughout our lives, including when we need social care. But the increase in numbers of people needing care, and the complexity of care people need are compounded by the cost of care going up annually and dramatically too.</p> <p>To pay for this, we often have to look to make cuts elsewhere within council services or to raise council tax for people across the city. The cost of care is increasing year on year, but we also spend time and resources on compliance, monitoring and managing all these external contracts too.</p>
6.	<p><b>Scope</b> Set out what is included in the scope of the review and what is not. For example which services it does and does not cover.</p>	<p>The contracts for Residential Care costs and Domiciliary Care costs make up the majority of costs in the Adult Social Care budget, which is driven by:</p> <ul style="list-style-type: none"> <li>• Actual cost (unit cost)</li> <li>• Demand (number of people care provided to)</li> <li>• Complexity (extent of peoples' needs)</li> </ul>
7.	<p><b>Methodology</b> Describe the methods you will use to undertake the review.</p> <p>How will you undertake the review, what evidence will need to be gathered from members, officers and key stakeholders, including partners and external organisations and experts?</p>	<p>The Adult Social Care division maintains a procurement process to provide care services in the city. Evidence gathering will include:</p> <ul style="list-style-type: none"> <li>• Representatives from residential care and Domiciliary care forums</li> <li>• Providers of what they perceive cost to be</li> <li>• Adult Social Care operational services, in respect of the processes for assessing need (Ruth Lake)</li> <li>• Adult Social Care services, lcc (Kate Galloppi)</li> <li>• Adult Social Care costs (Martin Judson for how costings are worked out)</li> <li>• Comparative data – tools to benchmarking (cost of care and demand for care).</li> </ul>
	<p><b>Witnesses</b> Set out who you want to gather evidence from and how you will plan to do this.</p>	<p>Linked to above (7)</p>
8.	<p><b>Timescales</b> How long is the review expected to take to complete?</p>	<p>3 months</p>

9.	Proposed start date	July 2021
	Proposed completion date	End of September 2021
	<b>Resources / staffing requirements</b> Scrutiny reviews are facilitated by Scrutiny Officers and it is important to estimate the amount of their time, in weeks, that will be required in order to manage the review Project Plan effectively.	Scrutiny officer time within existing workload.  The officer time from services within ASC and other service departments contributing to the review.
	Do you anticipate any further resources will be required e.g. site visits or independent technical advice? If so, please provide details.	Not at this stage.
10.	<b>Review recommendations and findings</b>  To whom will the recommendations be addressed? E.g. Executive / External Partner?	Recommendations will be made to: <ul style="list-style-type: none"> <li>• The Executive, Leicester City Council, and</li> <li>• To the Government</li> </ul>
11.	<b>Likely publicity arising from the review</b> - Is this topic likely to be of high interest to the media? Please explain.	Likely to attract medium attention from the media
12.	<b>Publicising the review and its findings and recommendations</b> How will these be published / advertised?	The progress of the task group review will be reported to the Adult Social Care Scrutiny Commission.  The report findings and recommendations will be presented to Adult Social Care Scrutiny Commission (public meeting) and the Overview Select Committee and will also be published on lcc website.

13.	<b>How will this review add value to policy development or service improvement?</b>	The review will ensure that Adult Social Care context is clearly understood when considering service development and/ or improvement.
<b>To be completed by the Executive Lead</b>		
14.	<b>Executive Lead's Comments</b> The Executive Lead is responsible for the portfolio so it is important to seek and understand their views and ensure they are engaged in the process so that Scrutiny's recommendations can be taken on board where appropriate.	I welcome this review on a huge area of council spend and crucially the support offered to our residents who need a care package.  <b><i>Councillor Sarah Russell Deputy City Mayor and Executive lead for Adult Social Care and Anti-Poverty.</i></b>
<b>Comments from the relevant Director</b>		
15.	<b>Observations and comments on the proposed review</b>	<i>Care packages for Adult Social Care represent the single largest element of the Council's General Fund expenditure. These are demand-led services, where eligibility is determined through national legislation, and where services are almost universally delivered by the independent sector, relying on a very large workforce, many of whom are paid at the National Living Wage or only slightly above. Although significant funding is secured through charging people for the services they use, and from transfers from the NHS, and the Council is permitted to increase Council Tax through an Adult Social Care precept, there is a clear imbalance between demand and funding. This not only puts pressure on the funding available for other Council services, but also creates a tension with the longstanding aspiration to improve the terms and conditions of the substantial Adult Social Care workforce. The Scrutiny Review offers a welcome opportunity for Members to develop their understanding of the issues and to bring to bear their perspectives, in order to secure new insights and explore potential solutions.</i>
	<b>Name</b>	<b>Martin Samuels</b>
	<b>Role</b>	<b>Strategic Director for Social Care &amp; Education</b>
	<b>Date</b>	28 June 2021

**To be completed by the Scrutiny Support Manager**

<b>16.</b>	<b>Will the proposed scrutiny review / timescales negatively impact on other work within the Scrutiny Team?</b>	It is anticipated that there will be no adverse impact on the Scrutiny Team's work to support this review. Although it is expected that this review will be completed relatively quickly, there may need to be some prioritising of work done during its undertaking
	<b>Do you have available staffing resources to facilitate this scrutiny review? If not, please provide details.</b>	The review can be adequately support by the Scrutiny Team as per my comments above.
	<b>Name</b>	<b>Francis Connolly, Scrutiny Support Manager</b>
	<b>Date</b>	24/06/2021