

# Wirral Metropolitan Borough Council

Adult Social Care - Budget Assurance Review  
February 2025

# Content

- Background
- Executive summary
- Discussion
  - Performance
  - Budget
  - Opportunities, Effectiveness of Savings Approaches, Capacity and capability, Progress against Improvement work
- Conclusions and recommendations
- Interviewees
- Documents reviewed

# Background

This report looks at the performance and budget sustainability of adult social care in Wirral. It is based on interviews and key documents. Information is presented to illustrate the main findings although the detail of the reports is not reproduced for the purpose of focus and brevity.

The review was led by CIPFA Associate Alan Adams. Alan is very experienced in this field. He has been DASS in Wokingham, Surrey, Havering, Newham, Waltham Forest, Hounslow and West Sussex; and DCS in Wokingham, Surrey, Waltham Forest, Hounslow, Doncaster, and Slough. He was also previously Acting Chief Executive for London Borough of Hounslow, Interim Chief Executive for Doncaster and Slough Children's companies, and Deputy Chief Executive for London Boroughs of Waltham Forest and Hounslow.

# Executive Summary

Wirral Adult Services has had its performance assessed by CQC as at the higher end of “Requires Improvement”, with sound practice in many areas such as assessments as well as areas to address such as high waiting lists. Benchmarked performance shows relatively high levels of residential and nursing placements for both older and younger adults.

The budget spend is benchmarked at broadly in line for older people, and quite high for younger adults.

Demand and therefore costs have been increasing for a few years and particularly since Covid, this is not uncommon and is a national issue. The local Integrated Care System is a particularly challenged health system which impacts on social care spend and presents future risk.

Nationally many authorities are struggling with high workforce costs including high levels of agency staff, and costly and insufficient care market capacity. In Wirral workforce issues are well managed and market costs and sufficiency are currently manageable, although there are quality issues to address in the market.

# Executive Summary

Wirral adult services have experienced significant change in respect of the return in-house in the last two years of adult care provider services and then social care assessment staff. They have recently prepared for a full CQC assessment. With the arrival of a new Director they are reviewing various services and strategies and the service appears to be to some degree in transition. Staff are positive and committed to the changes.

The service is overspent and many savings proposals and new approaches focus on controlling demand. The service is addressing many of the right things such as a three conversations model of care, redesign of the front door, changing the criteria for extra care housing and supported living, tackling the reviews backlog, and reviewing high cost packages. It has more to do to build its approach to effective prevention to achieve strategic shifts away from residential and nursing care.

# Executive Summary

It would be helpful if the key elements of this transition, both strategic and operational, were to be pulled together into a simple prioritised programme which could be used by the department and the authority to better understand and track progress and provide the support and give the confidence that will be needed. Similarly budget paperwork and processes can be confusing and a simpler, clearer approach to demand projection, identifying efficiencies and savings, and stronger business cases for some savings proposals, could help with confidence about delivery and the necessary corporate support.

The biggest risks to the costs of services at the moment come from the escalating demand from the health system, and the opportunity comes from improved joint working and improvements to the key elements of prevention.

# Discussion

## Performance

This section includes aspects of performance that are of particular relevance to the budget.

Wirral adult services received their draft CQC assessment in September 2024. The service is performing overall at the level of Requires Improvement, albeit it at the high end of RI. Within the overall assessment, there was a “good” rating for care provision, integration and continuity, which examines the range of services available and how the local authority works with the care market; and for learning, improvement and innovation, which includes staff development.

The assessment is comprehensive, and in general processes practice and partnerships were sound, for example assessment processes are sound as are safeguarding partnerships. CQC also recognised areas for improvement, for example in the area of reviews and waiting lists, where 61.5% of annual reviews were overdue, 24.5% of people receiving long term care had had their plan reviewed against a national average of 58.7%, and there were long waiting lists for those due an OT service who were not deemed a priority. 8.66% of people are in receipt of direct payments against a national average of 26.22%.

# Discussion

## Performance

The CQC report recognises a service in transition, with a new director and PSW, staff returning from outsourced services, the development of the “three conversations” practice model and a neighbourhood focus, and new approaches being produced to prevent, reduce and delay the need for care and support. CQC comment that staff talk positively about these changes, that the Director has a clear vision for transformation, and that this is being well communicated.

The social care market has capacity in most areas of provision, the main exception being younger people with complex needs. The Wirral has about 55% of the market for older peoples’ residential and nursing care. It is on the whole able to make placements at Wirral’s rates, which are reasonable but not high, and to obtain services quickly. Few placements are made out of area and these are mainly by choice. There are some quality issues with the market with around 70% at the assessed standard of good or above, and the service has worked closely with the market to address this with demonstrable progress. There appear to be tight market commissioning processes.



# Discussion

## Performance

Wirral is located within the NHS Cheshire and Merseyside Integrated Care System, which has significant financial and performance challenges. The directorate feels there has been improved working on hospital discharge systems and positive working within the Transfer of Care Hub, and has some joint commissioning intentions, but there is more to do jointly. Rehabilitation performance appears below the national average. There is a monthly budget meeting with health counterparts called the Finance Investment Group.

In terms of workforce, the corporate workforce strategy, talent management and wellbeing strategies are very real in the directorate, including the leadership development programme, and are tested in the annual surveys. Supervision is regular, good practice is shared and there are development days for staff. There are good “grow your own” processes and there is relatively low reliance on agency staff. Where they are needed, they can be acquired at the rate agreed with regional local authorities. Most of the staff who have left in the last year did so in order to retire. Of course, as with the social care market, challenges remain.

# Discussion

## Performance

Strategically, most documents appear sound and some are very real (see workforce). The Early Intervention and Prevention Strategy presents a sound framework but does not have a practical delivery plan. The All Age Disability Strategy 2024-9 again reads as sound, but says a delivery plan will follow. There is a view that some modernisation is required in the service and that some new strategic approaches are needed.

From benchmarking in the LGA Use of Resources report it can be seen that the Wirral has relatively high numbers of older people and younger adults placed in residential and nursing care.

# Discussion

## **Budget**

From the LGA Use of Resources report the Wirral adult social care has broadly average spend on older people's services, and relatively high spend on younger adults. The spend on older people may suggest a lot of people are receiving relatively low levels of service. The number in residential and nursing are relatively high for older and younger adults.

Regarding overall budget, CIPFA conducted a zero-based budgeting exercise in 2021 which concluded there was limited scope for savings. In January 2025 the Department of Health and Social Care wrote to the Leaders in all top tier authorities encouraging passporting of additional monies that have been sent to local authorities for adult social care in the form of grants and through other processes. It gave the percentage that each authority has transferred in reality in the last two years, and Wirral has increased the budget by 101% of the amount that it has been given for the purpose, meaning it has kept up with the allocations. Other local authorities have given greatly varying amounts with around two thirds of authorities at more than 100%, indicating that they have struggled to keep up with growing demand in recent years.

# Discussion

## Budget

Adult social care constitutes 35.6% of Wirral's budget, and together with children's services they constitute 59.6%. It is not uncommon for authorities to spend up to three quarters of their budget on children and adults services. (Of course LA's can apportion costs differently). On the face of it the budget for adults has risen broadly in line with expectations.

The service delivered an overspend of £1.192 million in 2023/24, reduced from a higher figure by use of one-off grants and reserves including Covid support funds. In October 2024 it was projecting a year end position of £6.69 million overspend on a budget of £142.24m. The main causes of the overspend are considered to be the increase in volume and complexity of demand for services, as a result of demography and from pressures from the health system since Covid. Nationally authorities handled the unique experience of Covid in different ways, some emerged with considerably higher commitments, and many have been affected by the pressures on health systems leading to increased volume and complexity of demand. I am told that the local ICB operates within a system that is challenging financially and performance-wise and that it is currently projecting £183 million overspend on top of its agreed overspend level. Continuing care costs for the local authority are high, and the service feels it is difficult to negotiate and influence within the wider system.

# Discussion

## **Opportunities, Effectiveness of Savings Approaches, Capacity and capability, Progress against Improvement work**

The service has worked well with the care market and on its workforce strategies and this, plus the conditions in the local economy mean that although challenging it does not face the financial threats in these areas that many authorities face. The service overall is operationally sound and this limits what I call 'the cost of poor quality', for example repeat interventions and escalation of need, although there is more to be done here through improved performance.

The most significant threats come from increasing demand from the health system, and high numbers of residential and nursing placements. The opportunities stem from more effective working with the local health system and more effective prevention supported by good operational practice such as timely reviews to produce a strategic shift away from institutional care. This would take performance to the next level.

# Discussion

## **Opportunities, Effectiveness of Savings Approaches, Capacity and capability, Progress against Improvement work**

The CQC assessment recognised aspects of transition in the service. The transfer in-house of provider services October 2022, and assessment services July 2023, was a significant undertaking and included pulling together a new senior management team to lead the right culture. New approaches to practice are being put in place, the reviewing team has been supplemented by 6 additional staff to begin to tackle the backlogs, the redesign of the front door is a major undertaking that is being addressed in-house and the project is at the moment on track, high cost packages are being reviewed. Existing projects such as AbleMe are being re-evaluated. A directorate Transformation Board has been established which meets monthly and examines progress on issues such as the redesign of the front door, and managers review progress against budget proposals weekly.

As is always the case, it is important that the level of bureaucracy both within the directorate and corporately is commensurate with the task, and as streamlined as possible to allow the maximum time to be spent on delivery.

# Discussion

## **Opportunities, Effectiveness of Savings Approaches, Capacity and capability, Progress against Improvement work**

Savings proposals for next year include day services modernisation, expansion of shared lives, review of transitions packages from children's services, expansion of the AbleMe reablement service, increases in fees and charges, and £5million from a review of adult services cost-effectiveness. Staff and finance managers are able to talk about progress on the various projects, for example Shared Lives have recruited 7 new carers and people have been identified to place in the scheme; the day centre savings can initially be delivered from a closed centre whilst the fuller modernisation programme takes place; whereas AbleMe has some way to go to deliver on its intentions and is being reviewed. The robustness of the supporting business cases themselves varies and in general needs to be strengthened to provide confidence in delivery, establish part or full year effect, and to assist with management grip.



# Discussion

## **Opportunities, Effectiveness of Savings Approaches, Capacity and capability, Progress against Improvement work**

The cost-effectiveness item has been a feature of adults budgeting in previous years and is a broad mix of items from reducing spend through assistive technology to reducing residential care through supported living. Staff say the savings are properly interrogated however without examining line by line the detail it can be difficult to see the read-across to savings and the differentiation between cost avoidance and savings, and it can be a confusing addition to the budget process. For example the quarter two budget monitoring report to the Adult Social Care and Public Health Committee states both that the demand reduction achieved through this item has been exceeded, and that the budget will significantly overspend this year due to increased demand.

In terms of other areas of the budget, central support costs for the department which total around £8.5M are being examined as part of the Enabling Services review of support costs; the public health budget is running with a large reserve, some of which it has been agreed will support adult social care prevention.



# Discussion

## **Opportunities, Effectiveness of Savings Approaches, Capacity and capability, Progress against Improvement work**

Despite these issues staff and finance managers say there is more confidence in the processes than there has been in recent years.

The service may face capacity issues as it has widespread waiting lists despite operational management being relatively sound. Impower questioned the capacity and capability of the senior management team to deliver the front door change programme, this statement has been used to galvanise and redirect the new senior management team.

# Conclusions and Recommendations

The directorate's performance is relatively sound and spend around average or just above, with demand increasing particularly from the local health service. Changes are taking place to address this, which will take time to impact delivery. To assist in this process, it is suggested that:

1. The key changes that are taking place are pulled together into a simple transformation plan, to be overseen by the directorate Transformation Board and reported to the corporate transformation board. This will provide transparency and confidence and include identification of support needed. The whole programme will be much greater, this is the “must do's” upon which progress depends, both operational and strategic, with timescales and milestones.
2. In particular the key elements of an effective prevention strategy be identified and prioritised to achieve shift from institutional care (reablement model, use of alternative housing models, regular reviews etc)

# Conclusions and Recommendations

3. Strengthen local operational and strategic working with health services including exploring the possibilities for cost effective joint commissioning
4. Consider developing a targeted programme to provide and in some cases re-provide for adults with learning disabilities, including commissioning and decommissioning of services
5. For future years strengthen budget documentation including savings business plans and demand projections
6. Consider whether further help can be provided for adult social care within its preventative approaches from public health funding (as I understand has taken place in children's services)
7. (As always) apply the right levels of oversight and bureaucracy to budgets and service change which allows for confidence and support whilst remaining streamlined

# Interviewees

Sayyed Osman, Director of Adults, Health, and Strategic Commissioning

Jayne Marshall, Interim Director of Integrated Services and Commissioning

Simon Garner, Assistant Director of Operational Delivery and Professional Standards

Jean Stephens, Assistant Director of All Age Independence and Provider Services

Jessica Whitley, Head of Finance, People

Sara Morris, Senior Finance Business Partner

Helene Miles, HR Business Partner

Lisa Quinlan, Organisational Development Lead

Matthew Bennett, Director of Finance

# Documents reviewed

LGA Use of Resources in Adult Social Care (National and North West) 2023/24

Adult Social Care Budget Position 7/10/2024

Cipfa Budget Assurance Review 2025/26 Budget Preparation

Adult Social Care pie charts

Adult Social Care Zero Based Budgeting CIPFA

Market Review of Wirral's Adult Social Care Establishments

Department of Health and Social Care, Minister of State "Dear Leader" letter on social care expenditure 10/1/2025

CQC inspection stakeholder presentation

CQC inspection Member briefing

CQC draft assessment September 2024

Prevention and Early Intervention Strategy 2024-9

Impower Wirral Council ASC Proposed Front Door Model July 2024

Impower ASC Front Door Full Business Case

Front Door project implementation timeline

ASC Transformation Programme Monthly meeting minutes Oct, Nov, Dec 2024

Transfer of Care Discharge Hub Team update 17/8/2023, discharge dashboard, activity charts

2024/25 Budget Monitoring Report for Quarter 2 - Adult Social Care and Public Health Committee 26/11/24

ASC DMT Draft Budget monitoring Report Month 9

AbleMe Project Closure Report 19/7/24

2024/25 Savings Business Cases

All Age Disability Strategy "Full and Active Lives" 2024-2029

Workforce Strategy