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Case study: The London Borough of Hackney

⊢Hackney

CareCubed ensures best support at a fair price, whilst achieving market sustainability

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The Challenge
- Pricing for care packages is inconsistent and often lacks transparency.
- No evidence base or independent benchmark costing available to support provider discussions and demonstrate value for money.
- Annual uplift requests were difficult to quantify and assess.
- No 'common currency' or standard approach to pricing meant it was difficult to compare care packages offered by providers.

The Solution
- Use of CareCubed Children's to assess existing placements.
- Gathering quality information about providers and their services to input into CareCubed.
- Working with social workers to help them understand how existing services meet or do not meet a child's care needs and what questions to ask.
- Using CareCubed outputs to allow a more structured and open discussion with providers.
- Creating an audit trail in CareCubed to clearly show how situations have changed over time.

Why iESE?
- CareCubed is the only nationally recognised, independent solution, used by both providers and commissioners.
- CareCubed offers a separate model for commissioning children's care.
- iESE updates the data behind CareCubed annually to reflect real world changes.
- iESE is a not-for-profit organisation committed to supporting the sector and continually developing CareCubed based on feedback from commissioners and providers.

Results
- The phase of work saved around £200,000 per annum on existing children's care fees across only four placements.
- This is now being rolled out more widely and is part of a transformative commissioning approach.
- The council is also using CareCubed to negotiate annual increase requests.
- Relationships with providers have matured and improved due to the transparent and universally consistent approach.

The London Borough of Hackney first became aware of CareCubed for children's services in 2018, having seen the benefits that can be delivered as a long-standing user of CareCubed for adult services. The council first looked at its commissioning processes and streamlined these to make them much more efficient and effective. Then some of the council's high-cost care placements were benchmarked against CareCubed to understand the market position, sustainability of providers and whether value for money was being achieved. This identified some significant outliers which needed to be understood and priced based on the support required. This resulted in the council delivering £200,000 per annum cost avoidance on just four existing placements.

The council developed a template that social workers now use to capture information about provider services in a format that can be input into CareCubed in a few minutes. Maria Zazovskaya, Resource Manager for the Children & Families Placement Management Unit at The London Borough of Hackney, said: "Capturing this data helps the council and social workers know key information such as: the capacity of the home, how many staff it has and whether it has a sleeping night or a waking night, for example. This core information is inputted once and saved for future use, and the focus is then the person-centred support, giving us clarity and supporting our decision-making processes.

"Gathering this information helps social workers understand the costs and needs. During this process their level of awareness about what is the best value is raised, especially if there are extra services being commissioned. This is about making sure our residents are getting the right level of support and improvement in outcomes based on their unique circumstances. Unless you are a local authority which runs its own children's homes it is hard to know what the true costs are, and CareCubed gives us this knowledge and information in a format that can be easily discussed with providers," she added.

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Clarity on Cost of Care

Maria Zazovskaya,
Resource Manager for
the Children & Families
Placement Management
Unit at The London
Borough of Hackney

"The tool can help raise knowledge across social care for every local authority. It encourages that natural curiosity to question and challenge."

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iESE also supported with training and helped the council officers responsible for commissioning and brokerage understand the cost breakdown by sharing experience from across the customer base of more than 80 councils and providers. Typical costs for residential and semi-independent living placements are very high and a modest per week reduction has a significant effect on stretched budgets. "If you multiply £100 for eight placements over 52 weeks, it works out at about £41,000 per year, so the numbers can get very large, very quickly" said Zazovskaya, "iESE advised us to get a clearer view of the services available in our area so that we could quantify our market position. This information helps challenge providers and provides a better understanding of the unique services on offer in our local market. Now, our social work teams will be thinking about how care is being delivered, are there times when the child is in school or outside of the service, can the provider help increase independence and are we paying for the services that are right for this person and actually being delivered. It has meant we have a commercial awareness across the team and much more intelligence available to support our decisions."

Zazovskaya said using CareCubed gives a good starting point for a transparent negotiation. "We want to improve the relationships with our providers which is why it is quite helpful having a robust model based on data for us to talk through and collaborate. This changes the conversation and leads to a more open, transparent, constructive discussion. It is a good tool and has many different uses, such as assessing annual uplift requests and provides a consistency across children's and adult services. One provider last year requested a weekly fee increase of 20 per cent and we used CareCubed to inform our response, as to whether this was right or wrong from a value for money and sustainability point of view. It is just about unpicking the cost breakdowns and not accepting any fee increases, unless we have asked for further detail and have the necessary evidence to support the increase. CareCubed gives us an audit trail so that we can see how things have changed over time and why," she explained.

Overall, Zazovskaya and other team members believe CareCubed is a key tool for commissioning authorities and providers: "It is an excellent way to standardise breakdown of costs and get some consistency. The tool is very clear in terms of how you input information and the structured outputs allow us to have a sensible discussion with providers, so that we are all on the same page. The tool can help raise knowledge across social care for every local authority so that when social workers are looking at costs or requests, they don't just take things at face value. It encourages that natural curiosity to question and challenge."

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