

A generational change coming to adult social care

How will you solve the puzzle of adult social care reform?



Executive Summary

Adult social care (ASC) reform, in the guise of charging reform (CR) and fair cost of care (FCC), will have a significant impact on your council. The changes will be fundamental and will eventually impact all parts of your service and the provider market.

ASC budgets are materially driven by 3 things:

- **Demand:** The number of people needing services which a Council needs to pay for in part or full.
- **Placement mix:** The mix of placements based on the needs of service users, e.g. residential and home care.
- **Placement cost:** The cost of the placements.

CR and FCC mean two of these three things, **demand** and **placement cost**, will be materially impacted in the coming years.

CR and FCC are not mutually exclusive. In fact, they are inextricably linked. One will impact the other in various ways:

- **Direct:** More services funded by the council, which is likely to increase unit costs.
- **Indirect:** More safeguarding enquiries, more staff needed to manage the increased demand, more carers' assessments and a need for improved business systems.

Right now it is important to focus on two immediate FCC and CR priorities:

1. Understand the scale of the impact posed by ASC reform at a local level, i.e. the overall financial, operational and demand impact it will have. **Purpose:** To respond to the centre and mitigate risk.
2. Digitally enable your front door model to address the reform requirements and the significant forecasted uplift in demand. **Purpose:** To minimise operational impact.

Situation

Charging reform combined with the current fair cost of care exercise will have far-reaching financial and operational impacts on all adult social care services from next year.

Challenges

- Potentially **>30%** more demand at your front door.
- Predicted **>£20m+** p.a. increased net spend per council by FY24/25, even for councils with relatively small populations.
- Not enough social workers or financial assessors to meet predicted uplift in demand.
- Further pressure on care service market capacity, which is already stretched.
- A negative impact on personalisation agenda and people outcomes.

Why us?

Grant Thornton, with their expertise in social care forecasting, and **Channel 3**, with their expertise in social care digital transformation, are now working together with clients to assess these impacts in full.



Immediate requirements

- **Scale of the challenge:** Grant Thornton can assess the full financial and wider operational impacts for you locally. We know that the impacts will be different for every council.
- **Front door:** Channel 3 can assess the full implications of ASC reform at your front door. We can bring solutions that include digitally enabling your front door to mitigate future demand pressures.
- **Delivery roadmap:** Together, Grant Thornton and Channel 3 can provide an evidence-based implementation and resource roadmap to manage and mitigate the implications of ASC reform and build confidence across strategic stakeholders.

ASC reform presents challenges

Any sector undergoing change at scale faces challenges. Social care is no different.

These challenges will present themselves in the form of needing more. Specifically, more:

- requests for information, advice and guidance from residents who are currently self-funders.
- social care assessments and annual reviews.
- financial assessments, along with new criteria and the need to change recording and statement generation systems. This will likely result in more appeals against eligibility and an increase in complaints.
- mental capacity act (MCA) assessments.
- social workers and financial assessors required to cope with the increased demand on an "as is" basis.
- HR, finance and business administration staff to support the enlarged social care workforce on an "as is" basis.
- safeguarding enquiries and investigations.
- Carers' assessments.
- updates and changes needed to IT, finance and case management systems to manage the increase in demand.
- implications for the hospital discharge and discharge to assess (D2A) pathways which are likely to be materially impacted at least initially in relation to timely discharges.
- enhanced market management requirements and a greater need for strategic commissioning and brokerage capacity due to combined implications, including more contract management.
- investment required in the voluntary sector to support residents to manage their cap on care costs.



Fully assessing the impacts of the government reforms is a massive jigsaw puzzle

The great thing about jigsaws is that they come with a set number of pieces in a box with an image that shows how they should be put together.

However, for councils, putting together that jigsaw puzzle comes with significant challenges:

- The number of pieces at the outset is not clear. *Councils don't know how far, wide and deep the impacts will be.*
- The pieces that make up the jigsaw are scattered and not located in one place. *To fully understand future self-funder demand, councils require data from different social care systems, providers and healthcare as well as wider place data.*
- The picture the jigsaw is meant to represent is unclear. *It is difficult to respond to the unknown scale of the challenges the reforms will present.*



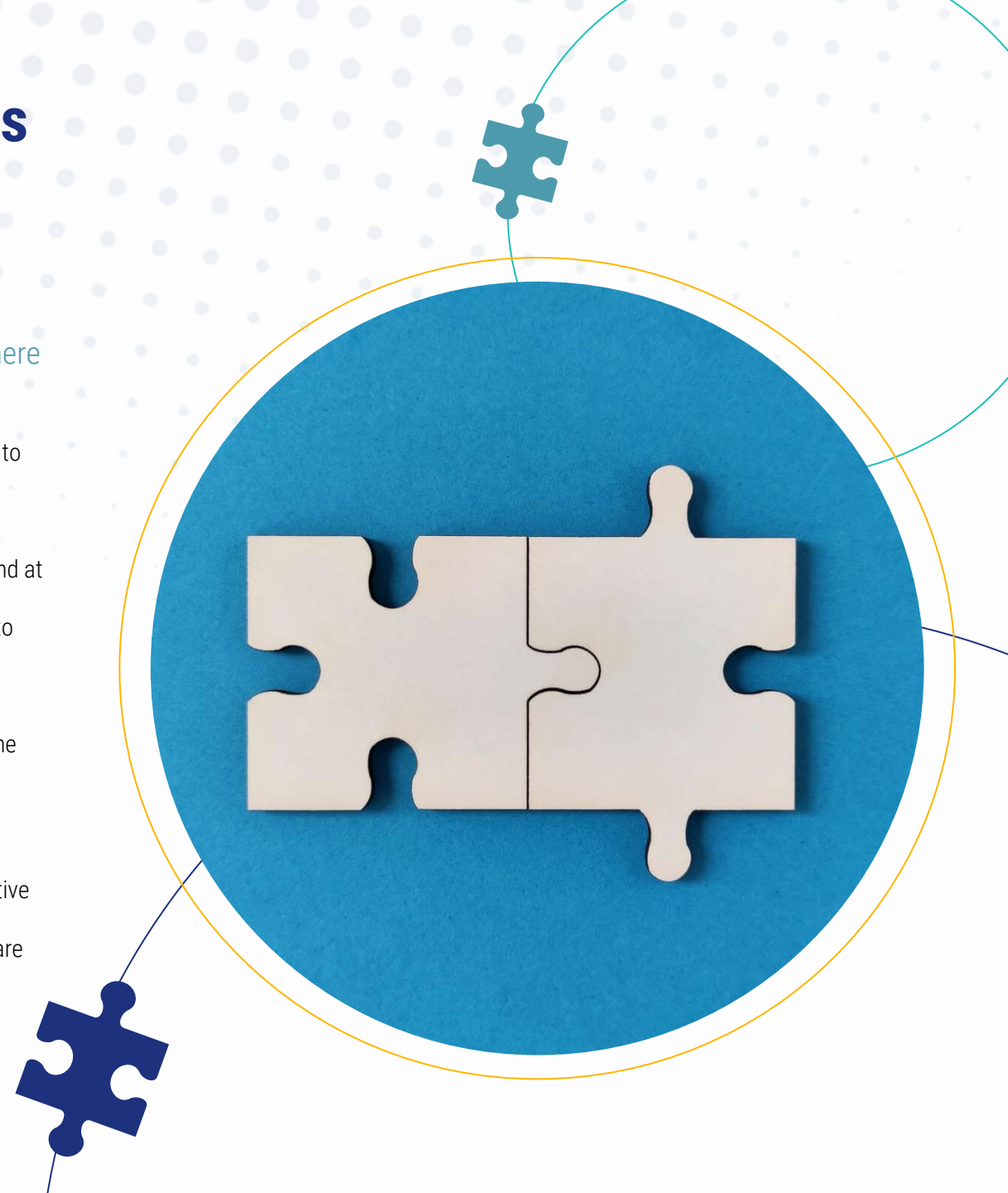
Immediate priorities: Impact assessments and front door are the first parts of that jigsaw

Whilst there are many pieces to the puzzle, some of which are unknown quantities, there is an opportunity to focus on two particular pieces that are well understood.

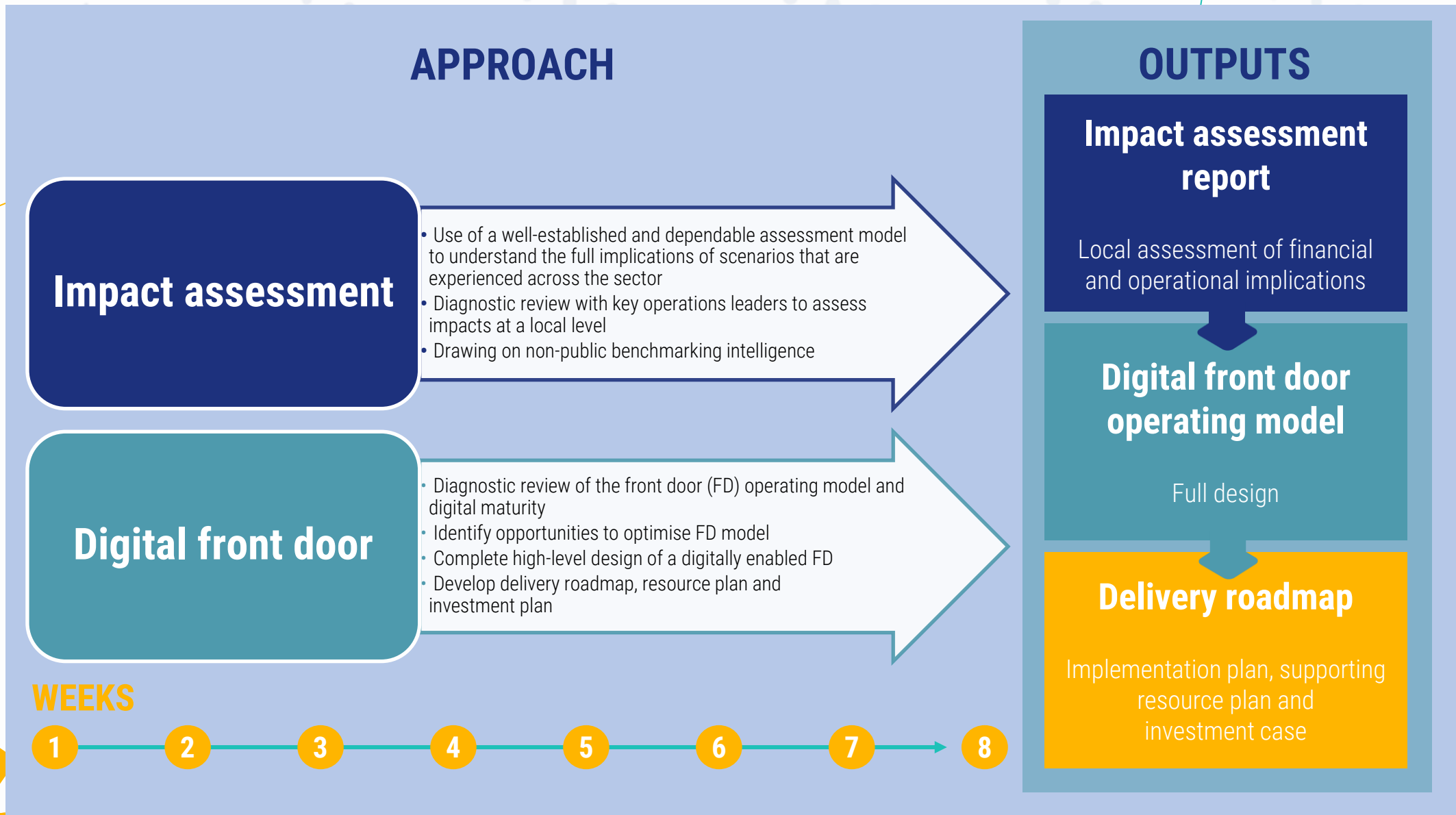
An **impact assessment** is crucial to understand the extra demands that will present themselves. It is critical to understand the scale of the impact locally, including the overall financial, operational and demand impacts. Without this insight, you will be unable to effectively respond and mitigate the subsequent implications.

Whilst an impact assessment will provide the details, one thing is for certain. There will be an uplift in demand at the **front door**. Councils will need a solution that, regardless of the impact assessment outcomes, will help manage this uplift in demand. Failing to prepare for this increase in demand will present challenges related to the front door, including:

- Greater numbers of self-funded people will present at the ASC front door, with the option to ask for information, advice and guidance (IAG), financial and care needs assessments, care account setup and the organisation of their ongoing care and support.
- An increase in the number of people waiting for an assessment, as will the length of time waiting for an assessment. This will lead to increased safeguarding and deconditioning risks whilst people wait to access support.
- Missed opportunities to provide effective IAG or signposting to alternative support, due to a lack of effective self-serve platforms either in the community or through digital solutions.
- A risk of overprovision of care to those who may not need it where self-serve and self-assessment tools are deployed. This scenario will subsequently deplete personal contributions up to the cap on care costs, meaning those people will have fewer options available to them when they really need them.



We can help you take a big step forward in just 8 weeks



Why us?

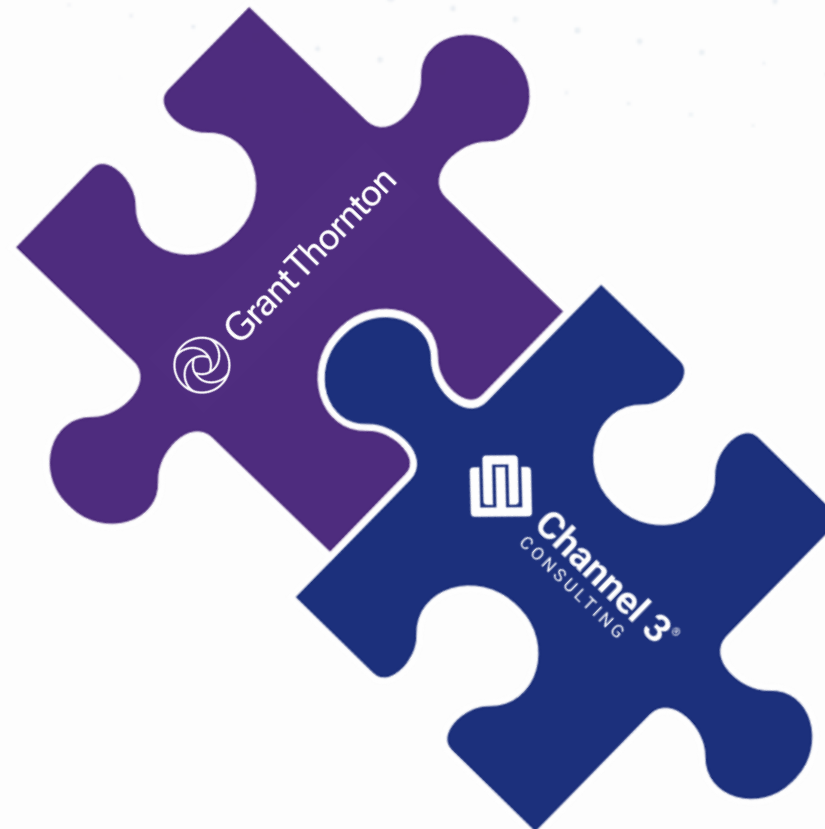
Grant Thornton has strong expertise in areas such as social care data analytics, forecasting and options identification to complex social care issues. In other words, understanding the various pieces of the jigsaw and the picture that they can make when put together in the right way. Channel 3 helps health and care clients solve complex challenges through digitally-enabled transformation in areas such as the front door. Once we know what the bigger picture looks like, we can put together the key elements of the puzzle to make it a reality.

Grant Thornton and Channel 3 are working together to help the sector address the immediate challenges and priorities associated with successfully implementing ASC reform. We have a strong track record of working in partnership for the benefit of our clients. We have shared values and together bring deep expertise in financial and data analytics, ASC transformation and digital enablement across health and care.

We can help you quickly scale the size of the local challenge that ASC reform presents and determine how to digitally enable your front door model to address the expected demand and financial impact.

Grant Thornton

- Grant Thornton UK LLP is a professional services firm that helps public and private sector organisations navigate today's volatile environment, with a strong focus on quality and delivers insights to succeed. We have 27 offices and nearly 5,000 people across the UK.
- Our local government practice is the recognised market-leading provider of insight and analytics services to local authorities and their partners, with two thirds of English local authorities subscribed to one or more of our platforms. Further, we are the largest provider of external audit services in England, with nearly 35% of all local authorities audited by the firm.
- We have a dedicated social care consulting team within our local government practice. They are currently leading on the completion of the fair cost of care exercise, the financial and operational implications of charging reform as well as operating model re-design to reflect the implications of charging reform and Fair Cost of Care for a number of councils across England.



Channel 3

- Channel 3 Consulting is a digital transformation consultancy firm that helps health and care organisations improve lives with better digital. Our team is based across the UK and have worked with clients from across the world.
- We understand what it takes to move beyond a vision to deliver whole system change, to design a single programme of change and create the right conditions for success, using a range of enablers to transform care and improve lives. Given the progress made by the sector in recent years, digital now represents the greatest potential to create the required step-change in how the sector delivers a better social care future.
- We have a dedicated social care consulting team with experience in successfully delivering complex transformation programmes across health and social care.

Let's work together to help support you through this generational change coming to adult social care

Nick is Grant Thornton's social care consulting lead. With other 20 years of consulting experience, Nick has spent the last 8 years focussing on local government. He supports them to identify, prioritise, design and deliver major transformation opportunities across adult and children's services.

Nick's latest focus and engagements include:

- Current: Supporting four councils with the current fair cost of care exercise.
- Current: Advising three councils on the full financial and operational implications of charging reform and fair cost of care.
- Current: Full target operating model review in adults, factoring in the implications of charging reform.
- Previous: Development of a new insight platform – Springboard – for a council and clinical commissioning group that for the first time combines hundreds of datasets across social care, health and place to support better integrated commissioning at a place level.
- Previous: Detailed forecast and medium-term financial strategy reviews for both adult and children's services for a number of councils.
- Previous: Supporting the delivery of council-wide financial improvement programmes – including social care – for four councils.



Nick Clarke, Director

[Email Nick](#)



Ralph is a Partner at Channel 3 Consulting and their national lead for adult social care. Ralph is passionate about working with the public sector to improve lives. He has over 20 years' consulting experience across government and health.

Most recently Ralph has specialised in shaping and delivering large-scale, complex transformation programmes across health and social care. He is motivated by taking a "people first" approach to unlocking the power of digital and data to deliver a radically different model of health and care in the next decade.

Ralph's latest focus and engagements include:

- Current: Working with sector leaders to consider the implications of charging reform and inform approaches to successfully deliver the digitisation of social care programme.
- Current: Digital enablement of a target operating model review in adults, factoring in the implications of charging reform.
- Current: Digital enablement of discharge to assess (D2A) pathways.
- Current: Digital discovery project across adult social care, including the implications of charging reform.
- Previous: Designed and delivered multiple large-scale adult social care transformation programmes across a range of different councils.



Ralph Cook, Partner

[Email Ralph](#)

