

formulate

**National best practice
approach for local
authorities to estimate
personal budgets**

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Introduction

Key issues facing the entire social care sector include recruitment, retention, and budget constraints, bringing with it continued and new challenges for local authorities. The right technology and tools can be leveraged to help improve the way authorities operate by speeding up processes, improving productivity, reducing errors, and enabling more flexible operations and use of resources (people and monetary).

This paper examines Personal Budgets (PBs) and Independent Personal Budgets (IPBs) in adult social care. Imosphere breaks down and examines the most effective process for councils to ensure budgets are both sustainable and allocated fairly, equitably, and consistently.

Current state of play

In 2022, the Government advanced towards addressing adult social care challenges with a series of proposed reforms, including the planned introduction of a cap on lifetime care costs, changes to the means tests, and a White Paper on wider reforms. Local authorities welcomed these changes, though many felt they did not go nearly far enough.

Reform delays

However, in recent months – and following two changes of prime minister – reform has stalled. In Jeremy Hunt's November 2022 Autumn Statement, the Government announced that the cap and means test reforms would be postponed until October 2025. With a general election to be held no later than January 2025, there is therefore a significant risk that these reforms may never be implemented.

Following publication of the Government's 'next steps' document on 4 April 2023, many of the remaining measures from the White Paper have been abandoned or cut back. Most notably, a key promise of at least £500 million to be spent on workforce training, qualifications and well-being has been cut to £250 million, and a promised £300 million to transform housing options has been replaced by £102 million for smaller in-home adaptations. Spending on innovation and improvement has also been cut back. Thankfully, investment in digital has emerged largely untouched.

This reduction in spending is disappointing. It has come at a time in adult social care when more people are asking for support, but fewer are getting it, workforce vacancies are at an all-time high, and public satisfaction with social care is at its lowest ever.

Self-assessment and efficiency amidst the delays

The delay of the social care reforms provides an opportunity for local authorities to thoroughly consider their methodology for resource allocation, ensuring it is well established and embedded for Personal Budgets (PBs) to later support the potential introduction of Independent Personal Budgets (IPBs).

The announcement of self-funder Independent Personal Budgets (IPBs) as part of the Government reforms brought self-assessment back to the fore. Most LAs now accept that offering self-assessment is going to be essential moving forwards – with requirements for data flow from a self-assessment into a ‘formal’ assessment being highlighted as an essential part of this initiative – to save time and reduce repetition.

Regardless of the delay to the reforms, Imosphere knows from recent conversations with many local authorities (both existing and prospective customers) that implementing new ways of working – including self-assessment and the use of trusted assessors – is being seen as an essential strategy in helping to manage ever-increasing pressures on budgets. These strategies will make the most of experienced staff’s time and will save money in the long term.

The implementation of self-assessment has been tried in the past by some LAs with mixed success. Barriers and challenges they faced have included:

- Self-assessment forms designed and used without proper consultation with citizens
- Each LA designing their own tool – resulting in a lack of a shared approach based on shared learning
- Forms have often been paper-based with no flow of information into the ‘formal’ assessment
- Opt-in levels have been low due to lack of engagement with Internet technology

Imosphere’s new self-assessment tool has been designed to help address these challenges – and support local authorities to manage the increased demand for assessments, while enabling our existing calculation tool for Personal Budgets to be extended to calculate IPBs using the same methodology.

Investing in a high-quality and effective resource allocation system (RAS) now will empower local authorities (LAs) to ‘future-proof’ their operations. With the 2025 reforms introducing Independent Personal Budgets (IPBs), a robust and well-designed system will enable LAs to provide a sustainable, fair and accurate solution to support all people with care needs – regardless of whether they are self-funding or obtaining an allocation from the LA.

About Imosphere and our nationally developed RAS

Imosphere has been working in partnership with local authorities on the development of best practice tools for assessment, resource allocation and support planning since the early 2000s – resulting in Formulate becoming England’s leading tool for estimating personal budgets within adult social care.

Our local authority (LA) customers are an ongoing working group who support the continued development and evolution of our tools through their input and feedback. This ensures that our tools remain in line with the evolving needs of LAs while ensuring fairness, accuracy, and compliance.

At the beginning of 2023, Imosphere launched version 9 of our strengths-based toolset and Formulate solutions after months of development alongside local authorities including Cheshire East and Oxfordshire. Version 9 has been specifically designed to support local authorities in striking a balance between strengths-based practice and evidence-based decision-making. A core element of Version 9 is our new Self-assessment – a key strategic tool which will help local authorities to manage demand by enabling people with care needs (or their representatives) to ‘self-serve’ online and streamline their assessment journey.

Regardless of whether the Government’s delayed funding reforms do happen in 2025 as indicated, implementing the Version 9 Imosphere solutions will empower LAs to future-proof their operations by using a strengths-based approach that was co-developed with other LAs – and be prepared for any increase in demand caused by the need to deliver assessments for those self-funding their care and support.

Imosphere’s suite of adult social care solutions has been designed to help tackle new and evolving challenges, as well as help local authorities meet the challenges of the now-delayed funding reforms through:

- Better management of citizen demand and scarce resources
- Creating much-needed operational efficiencies
- Providing a transparent, streamlined and defensible approach to generating estimated personal budgets
- Facilitating the ability to embed resource allocation alongside a strengths-based approach

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As we move towards social care reform, we need to ensure our systems are able to meet our changing and developing needs. By choosing Formulate, we aim to have a clear and more open resource allocation system for all. It also gives reassurance and speed to social workers and other professionals, because they have a tool which provides consistency and demonstrates clarity to customers.

Marcia Bowden
Oxfordshire County Council

Over £1billion of public money has been indicatively 'allocated' using Imosphere tools.

Our clients include:





Imosphere's Personalisation Toolset and Formulate have both played a major role in the redesign of our social care pathway. The team there have also been extremely supportive at every step, ensuring the tools fully meet the needs of our service users.

The results of the redesign have already brought many benefits to our community. Taking a strengths-based approach with the ability to use Formulate at the right time has been integral to its success.

Herefordshire Council

Resource Allocation Systems: An Overview

Resource Allocation Systems (RASs) are used across England to indicate the costs of an individual's assessed, eligible care and support needs. Some local authorities (LAs) use RASs developed in-house to calculate an Estimated Budget (EB), whilst others have purchased off-the-shelf RASs. A further set of authorities have chosen to adopt a 'ready reckoner' approach instead of a RAS.

The wide variety of systems in place reflects how challenging it can be for LAs to achieve an understandable and reliable mechanism to calculate EBs that successfully meets local and national requirements. And although each LA has their own unique challenges with resource allocation, reinventing the wheel from area to area has resulted in a lack of equity, consistency, and fairness between areas.

Commonly shared challenges

Punishing process

The process of calculating an Estimated Budget for an individual can be complex and lack the transparency required. Finalising allocations can be delayed because of the different authorisations required, as well as a backlog in financial assessments.

Public understanding

Understanding an 'estimated budget' is not always an easy concept for the public to grasp, and issues may arise when budgets subsequently decrease or increase.

Consistency and fairness

There are often issues with fairness and consistency of a RAS, and allocations are frequently challenged (and possibly reduced) by senior management teams and review panels. Without a proper culture of understanding fairness of allocations across all individuals, practitioners may be tempted to operate a RAS for certain individuals in a way they feel will maximise the final budget agreed for each.

Pressure on resources

Local authorities already face immense pressure on resources. This can often tempt LAs into configuring their RAS in a way designed to reduce overall spend – but end up undermining the tool through the use of financial rates that are unrealistic for purchasing care in the local market.

Fundamentals of a successful RAS

First and foremost, local authorities have a duty to meet eligible needs. A successful RAS should be constructed in a way that allows for strengths and unpaid/ community support to be identified and maximised before then ensuring that a fair and sufficient allocation is made for any remaining unmet needs which meet the eligibility criteria. The process should also be structured in a way that minimises the risk of 'gaming the system' – to help keep the local authority in a financially sustainable position.

A resource allocation system must be designed using principles that are readily understandable by citizens locally – with clear criteria for a fair distribution of resources. This section explores 7 key areas that make an effective, equitable and transparent RAS.

Designing a RAS

In most early RASs, a social worker would record a 'score' for each 'domain' of need – with the amount then allocated being the sum of the scores on all areas of need multiplied by a fixed value to convert it into pounds. For this reason, such systems came to be referred to as '£ per point' systems.

Imosphere's research showed that this approach did not produce accurate estimated budgets in many cases – because an individual's needs interact with each other. A simple additive approach results either in systematic over-allocation, or systematic under-allocation resulting from attempts to reduce over-allocation.

Imosphere findings led to development of a new type of RAS for adult social care in 2010, originally modelled using data from five councils and taking a statistical approach. The tool – now called Formulate – has undergone many iterations of refinement and improvement since that time – and is now the tool of choice for more than 25 LAs across England – as well as having been modified to deliver resource allocation models for NHS Continuing Healthcare, and children's health, social care and education.

As with other systems, Formulate uses structured questions (drop-downs, radio buttons and checkboxes) as the basis for estimating an individual's budget. However, unlike the early algorithms, it does not use a '£ per point' approach. The budget estimated by Formulate is instead equivalent to a single statement along the lines of 'a person with this needs profile would typically be predicted to require a total weekly sum in the region of £x, taking into account their eligible needs, their level of sustainable unpaid support, local financial and market conditions, and the policies of the specific local authority'.

The approach taken by Formulate – which achieves accuracy by accounting for the way in which needs interact with each other – is a relatively straightforward form of algorithmic modelling. Unfortunately, however, we have seen public expectations being shaped by misleading literature asserting that the 'inner workings' of RAS algorithms must themselves be simple enough for the layperson to easily understand – and that simple additive models can produce accurate cost predictions. There is no evidence that simple additive models work in practice – but plenty of evidence that a less basic statistical modelling approach does achieve accurate results.

With regard to transparency of a RAS – it is vital not to confuse transparency of approach with simplicity of formula used. A £-per-point formula for allocating money is seemingly 'transparent' only because most people can understand basic arithmetic. However, if the question is asked 'Why use this simple formula as opposed to any other formula?', no rationale can be given because there is no evidence-base underpinning the calculation. The core purpose of a RAS must be to produce reliable, accurate estimated budgets for as many individuals as possible – meaning that the best algorithm is the one that best achieves this – regardless of whether it consists of a simple or more complex formula.

Minimum allocation time

Support with preparing food/drink only

Your LA's decision

30 minutes

Most common decision in other LAs

30 minutes

Default hourly rate

Daily living tasks

£18.10



Your authority's rate

£17.90



Average rate in **similar** LAs using same tool

£16.20



£18.50



£21.35



Minimum rate Average rate Maximum rate
All LAs using same tool

Default per week rate

Respite/carer sustainability

£610



Your authority's rate

£570



Average rate in **similar** LAs using same tool

£485



£595



£715



Minimum rate Average rate Maximum rate
All LAs using same tool

Local configuration

It is essential to be aware of the relationship between your RAS and your local context. The rates you decide to apply within your RAS which are used when calculating Estimated Budgets must be set in such a way that reflects your local market conditions.

Setting realistic rates within your RAS is the only way for you to ensure that it produces Estimated Budgets which are sufficient to be able to purchase quality care and support for local citizens. If rates are set unrealistically low, this creates a significant risk of your RAS becoming seen as 'not fit for purpose' by your practitioners (and the people they are working with) – and for it to then cease to be a useful tool to support practice as a consequence.

Due to the importance of configuration to the ultimate success of a RAS in practice, Imosphere's Formulate tool comes with a specific Configuration Template for each local authority to complete – with this acting as their running record of the intelligence they have built into their RAS. The template includes a series of local rates and decisions regarding how the RAS should operate – which are linked to the paid and unpaid services available within the local marketplace, including consideration of any 'in-house' services run by the local authority.

For example: Should different rates be used for people with a learning disability or people with a mental health difficulty, compared to older people? How should the tool allocate budgets for people living in Supported Living (where cost models tend to be bespoke and therefore not comparable to the cost of meeting the same needs in a different type of home environment)?

Benchmarking

During the process of a local authority determining how to locally-configure a RAS, having sight of the kinds of decisions and rates other LAs have used is helpful in providing reassurance. Unfortunately, this is close to impossible to do when developing a RAS in-house – as other RAS tools will not use the same calculation methodology – so it's like comparing apples with oranges.

Adopting a RAS that is already widely used by other LAs means that legitimate and meaningful comparisons can be made regarding rates and configuration decisions. Imosphere's Formulate product offers this as a standard part of the implementation – including the ability to filter the benchmarking information to compare against LAs who have similar deprivation levels to your own.

Formulate enables LAs to:

- Assess performance objectively
- Expose areas where improvement is needed
- Identify other local authorities with processes resulting in superior performance, with a view to their adoption
- Test whether improvement programmes have been successful



I really like the 'most common responses' element of the config document, something that I feel other suppliers should adopt for this sort of document!

Simon Friling
Sandwell Council

Accuracy testing

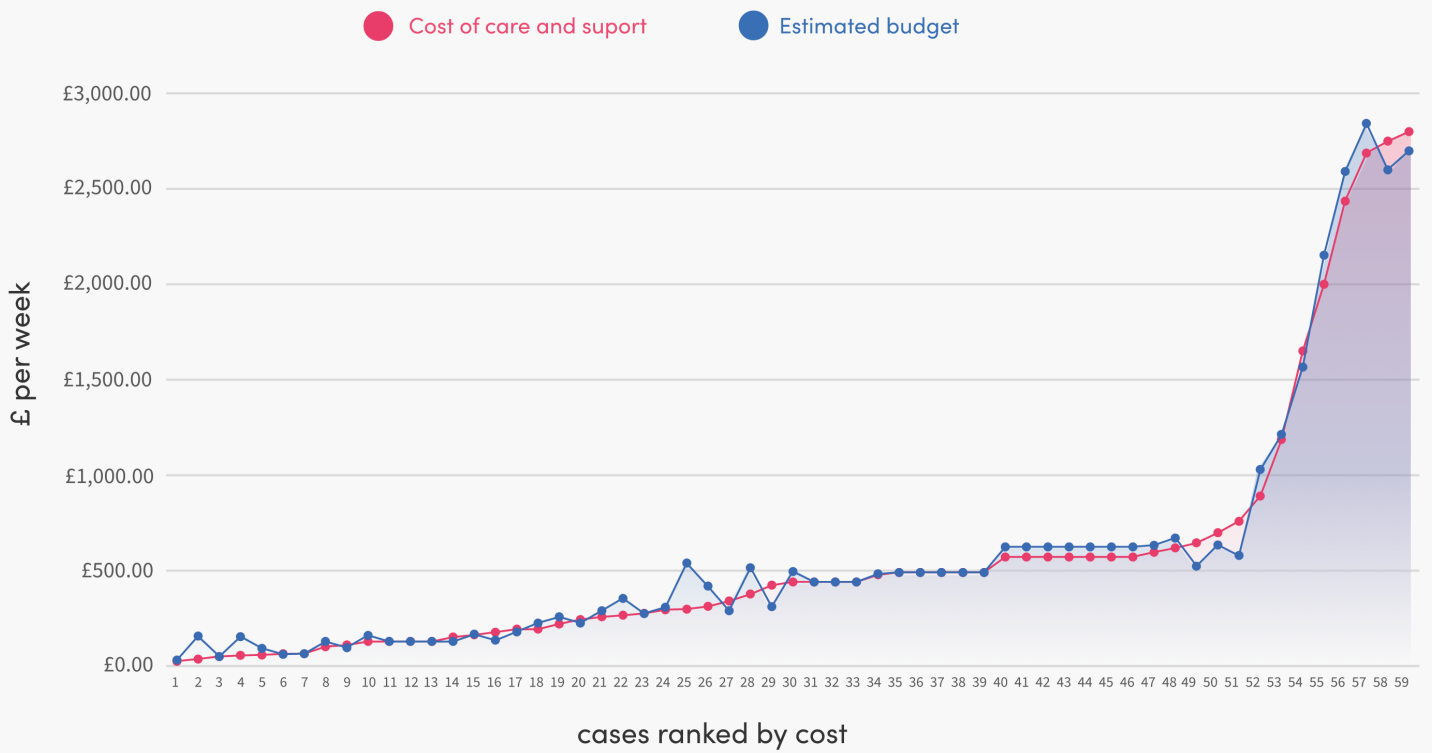
It is vital for LAs to be able to demonstrate that their chosen RAS is sufficiently accurate across the board before rolling it out. The best way to undertake this is to select a wide-ranging sample of individuals with existing local authority Personal Budgets in place and complete the 'RAS questions' for those individuals based on their current needs and circumstances. The sample should include individuals with lower through to higher levels of need across all client groups (older adults, younger adults with disabilities/sensory needs, and adults with learning disabilities, neurodiversity and poor mental health) – as well as people with differing levels of support from unpaid carers and living in different types of accommodation.

Following accuracy testing, you will then be able to see how results from your new RAS compared with the costs of existing care and support in place – and any 'outliers' will be highlighted for investigation. Individuals might present as RAS 'outliers' for a variety of reasons – including, for example, where particularly specialist/higher cost providers are used, where one or more rate(s) in your RAS have been configured at a level which doesn't reflect market costs, or just because a small number of individuals have a unique set of needs which can't be accounted for in any RAS.

By ensuring Estimated Budgets are as accurate as possible for as many individuals as possible, LAs will benefit from higher levels of efficiency savings as potential 'overspend' is better managed through accurate estimates.

You can see in the graphic on the right a typical set of comparison results where a robust, well-developed statistical modelling approach to RAS is used – with a very close relationship between estimated budgets and actual care costs but showing a small number of clear outliers for investigation – a picture that looks very different when testing a '£ per point' type of RAS.

Typical results of accuracy testing using Formulate



Testing within your local IT system

In addition to testing the accuracy of your new RAS, testing that the tool operates well within your local case management system is essential – as well as checking compatibility with other case management systems if your system is due to be replaced in the near future. Taking the time to correctly implement and test the RAS works and delivers what is expected is paramount. Generous testing time should be part of the implementation process to enable LAs to ensure the system supports their processes and captures the information required. Sufficient testing time will help to prevent errors and bugs and will save time and money in the long run.

Moreover, testing should not be a one-time task. It should be carried out during various phases of the implementation process. This way, LAs can ensure the RAS is fully compatible with their local IT system, avoid costly errors, and ensure optimum performance.

Keeping the RAS up to date

The most obvious – but most neglected – element of a RAS that needs to be kept up to date is ensuring the configured cost levels within the tool continue to reflect local market conditions in line with changes over time – for example, configuring-in the usual annual price uplifts. To succeed in the long term, a RAS needs to be treated in the same way as any other system which operations depend on. Too often though, local authorities implement a RAS and then never touch it again – with this commonly being because the staff involved in deploying the RAS originally either move on or become unavailable due to re-deployment on to other projects.

In addition to keeping the costs side of things up to date, a RAS must also evolve over time to reflect changes in national legislation, recommended best practice and reporting requirements in order to ensure continued compliance and defensibility. Reviewing and updating a RAS beyond just price updates will ensure smoother operations, and will help to maintain a fair, accurate approach to budget setting. Regular ‘health checks’ also help to highlight any areas where the tool is not producing accurate results – enabling the LA to improve and refine it over time.

Working with a trusted partner like Imosphere can alleviate these concerns. Imosphere takes responsibility for reflecting legislative changes within all our solutions, updating them in collaboration with our customers, who can then take upgrades ‘off-the-shelf’. Our team will also prompt each local authority to update their RAS configuration if this is not proactively being kept on top of – as this can get forgotten during times when the relevant staff are busy with other initiatives or periods of high demand on the service. Imosphere also works with local authorities to run annual ‘health checks’. This helps to ensure that our tools are working effectively – providing recommendations where relevant to make things better and correct any issues.

Reflecting the Care Act and ensuring a RAS is defensible, equitable and transparent

The Care Act includes requirements that directly impact on the implementation of a RAS – namely that regardless of the process used, setting an estimated budget should be timely, transparent and ensure enough money to meet the identified eligible needs.

In practical terms, this means that there is a requirement to provide the person with care and support needs, and any carers or advocates who assist them, with a clear understanding of how their personal budget was calculated and confidence that the suggested amount reflects market costs and will meet the assessed needs.

Regarding transparency – it's important to emphasise that when a local authority signs off an individual's PB allocation – what is signed-off is their actual budget, not the underlying calculation method of their estimated budget. What needs to be transparent is the organisation's reasons for believing that the actual budget is adequate to meet the person's needs. Having said that, it is obviously desirable that the reasons for this belief can be explained to the individual and/or their family.

However, any legal challenge that might be brought in relation to sufficiency of a PB allocation cannot be directed at transparency or otherwise of any particular step in the decision-making process. Instead, it is the entire decision and the degree to which the actual budget the local authority has determined is reasonable. It is therefore the decision as a whole that needs to be transparent and defensible, not the inner workings of a particular step in the decision-making process; in other words, the basic reasons why an LA thinks that the budget awarded adequately meets what is required to achieve the agreed eligible needs and outcomes.

The calculation produced by a RAS may provide additional evidence to support defensibility – and the view that the sum allocated is adequate – if the RAS has been demonstrated to be accurate in similar cases. However, this does not mean that the indicative sum generated by the RAS should be the final determinant of the actual allocation.

Even with the most accurate RAS, there may be personal circumstances or preferences, or local factors that mean the sum required differs from the norm. The local authority must always consider these when co-producing a person's care and support plan.

Build vs Buy

To help manage demand, drive consistency, promote strengths-based practice, and unlock efficiencies, increasingly more LAs are aiming to invest in an integrated, flexible, and comprehensive approach to assessment and resource allocation for Personal Budgets – including the introduction of self-assessment.

The conundrum LAs are facing is whether their new system should be built or be bought – that is the dilemma. Do you buy off-the-shelf software or go to the effort of developing a system in-house? With speed, costs, compliance, and degradation issues to consider, both ways forward have benefits and drawbacks that have been explored in one of [our recent articles](#).

A third option

There is a third approach – a system that enables you to get up and running quickly without sacrificing efficiency and control. More crucially, it is a proven system that lets you avoid needing to build something from scratch.

Imosphere has been working with local authorities for almost 30 years and the Imosphere 'Strengths-based Toolset' and 'Formulate' tools provide an off-the-shelf solution for assessment and resource management that can be configured for each LA based on their local requirements whilst using intelligence from benchmarking across many other areas.

Designing, agreeing, and building digital solutions can take weeks and months of time from multiple people – and time for testing can often be limited. Imosphere's adult social care solutions are tried and tested across other local authorities and available ready-built within leading social care IT systems.

Innovating – off-the-shelf meets bespoke

Working with Imosphere enables local authorities to implement an off-the-shelf solution with extensive options for local customisation. Imosphere's solutions for adult social care are already tried and tested – being the result of years of learning from, and working directly with, dozens of local authorities. Imosphere enables a faster, less costly, and lower risk method of system development, which enables LAs to completely re-think how they digitise their operations.

[Read full article](#)





Off the shelf



Speed

Get started quickly without delays

Certainty

Fixed cost and functionality



Scope

Can it do everything you need it to?

No control

Fixed cost and functionality

Lack of control

Access to your data may be limited



Develop in-house



Bespoke

A system that will match your exact needs

IP

You own it



Substantial risk

Development is difficult and expensive

Delay

It could be years before it is fully built, tested, and functional

Inflated cost and restrictive

Locked-in to the software, and maintenance and support is often underestimated – what else could you be investing in?



Imosphere



Rapid

Be up and running in weeks

Trusted

Advanced and proven solutions built on sector expertise

Fully modular

Choose only what you need

Customisable

Locally configured with national benchmarking

Control

Direct access to your valuable data

Support

Ongoing technical support frees up your team for other things



Silver bullets do not exist

Implementing the correct system requires internal resources and effort – but it is easier with an experienced partner.

Case Studies

Case Study 1: Southern-based Council – Getting ahead of the 2025 Social Care Reforms

The case study below explores a Southern-based Council's upgrade to Imosphere's V9 suite and their critical work towards the Social Care Reforms.

Background

The Council has been using Imosphere's adult social care assessments since 2008 and went on to purchase Imosphere's Formulate tool in 2016 to calculate estimated budgets fairly and accurately for its service users. Since implementing the Imosphere tools, the Council reports that having consistency in forms and processes has been key for equity, ensuring that its service users are assessed fairly.

Deciding to upgrade

Following the release of the Imosphere V9 toolset for adult social care within their Liquidlogic LAS system in early 2023, the Council was keen to upgrade to reap the benefits of the new tools.

The Council will first implement the main tools, including the Contact and Actions Tool, Strengths and Needs Assessment, Needs Profile with Estimated Budget calculator, and Care and Support Plan. Then the Self-assessment will be rolled out and used within their Liquidlogic portal.

Benefits of the V9 tools

The Council expect the V9 tools to save a significant amount of time spent on form completion. This is due to consistency and proportionality across the forms – meaning practitioners only see the questions that are relevant to that service user. It will help the Council move on from the three-conversations approach – and towards a more sustainable blend of strengths-based practice and ensuring the right data is captured to add intelligence to their local processes. Additionally, consistent terminology across the forms will facilitate improved recording practice, further ensuring equity for the Council's service users and putting the Council in an advantageous position for CQC inspections.

The streamlined review process built into the new tools will also make care and support plan reviews more efficient, again saving time for already over-loaded social workers.

The tools have been shown to SCIE (Social Care Institute for Excellence), who were incredibly supportive. They had a positive response to the approach with the questions asked, the flow of the forms, and the fact that they support the principle of gathering detailed information up-front so the right decisions can be made for a service user.

Preparing for the 2025 Social Care Reforms

Despite the delay to the Social Care Reforms, the Council is certainly not taking its foot off the pedal when it comes to preparing.

They want to be in a position where they'll be ready for the Reforms if they do go ahead in 2025, and with further guidance coming out about putting people at the heart of care, operating models, and innovating technology, they're confident that it's the right decision to continue with the implementation.

Recruitment and funding are key concerns faced by many local authorities when it comes to the Reforms. The V9 tools and particularly the self-assessment is designed to help with this. While additional practitioners will need to be recruited to support the number of new service users and to validate a sample of self-assessments, having a self-assessment tool within a citizen-facing portal already implemented within the Council will make the transition much more straightforward come October 2025.

Implementing the self-assessment early also means the Council will be able to evaluate the time saved, test out the other benefits of the tool, and get an idea of how many additional practitioners will be needed to manage the increased demand of new assessments for people who fund their own care.

Additionally, the Imosphere tools provide reassurance to the Council that they will be ready for any legal challenges that may come up, and will bring consistency of judgement about how much of an individual's spending will contribute to the Care Cap.

What's next?

The Council is currently testing the main V9 toolset, aiming to go-live Summer 2023. The self-assessment will then be piloted with both practitioners and service users in the local area, before being rolled out later this year.



Contact us for more information or to arrange a demonstration of our V9 Adult Social Care Tools and/or Self-assessment.



Contact us



Case Studies

Case Study 2: Rochdale Borough Council – How they implemented a fair and accurate approach to calculating residential care costs

Rochdale Borough Council provides a range of social services for adults across its borough. The Council's social care strategy sets out a vision that provides quality services which are safe and deliver positive outcomes for its residents.

Working in partnership, the Council is committed to supporting residents with complex and high needs including older people and working-age adults with physical disabilities, learning disabilities and poor mental health – and commissions support and specialist services from a wide range of private providers.

For those who can't be supported to live independently, the Council works with providers to offer residential and nursing care. With a focus on creating and delivering person-centred solutions that meet the needs of the individual, the Council was keen to implement a system that would accurately calculate individualised care home budgets.

Creating a care homes model fit for the future

Using a standardised method for calculating high needs funding often made it difficult for the Council's social care practitioners to provide a transparent financial allocation based on an individual's needs and negotiate a starting point for funding. With this in mind, the Council implemented the Needs-based care home budgets module within Imosphere's Formulate solution, a resource allocation system that offers accurate, equitable and sustainable estimated budgets for care and support costs.

Working with Imosphere, the Council also created a new residential care banding model based on an individual's behaviours and the level of support required – replacing the existing standard and non-standard placements. For costed placements that do meet the criteria of the new residential care bandings, the Council now uses a standard 'banded' rate. However, for placements at the highest level in the banding model, the new module within Imosphere's Formulate product is used to generate costs based on an estimated number of hours of care and support each individual will need in a care home setting.

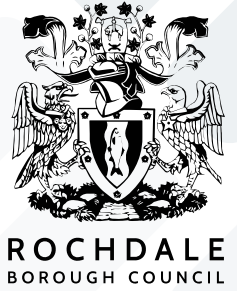
The care costs are then used alongside non-staffing costs (including hotel costs) calculated by a third-party system, CareCubed, to provide the Council with the information its practitioners need. The overall new solution has allowed the Council to move away from standard rates for those with complex needs and instead calculate an estimated budget for service users based on the person-centred assessments carried out by its social care practitioners.

Transparent, fair and equitable budgets

The process for calculating care home budgets has now been streamlined, providing the Council with a consistent method that gives an early indication of the appropriate amount of funding required to meet the identified needs for each individual.

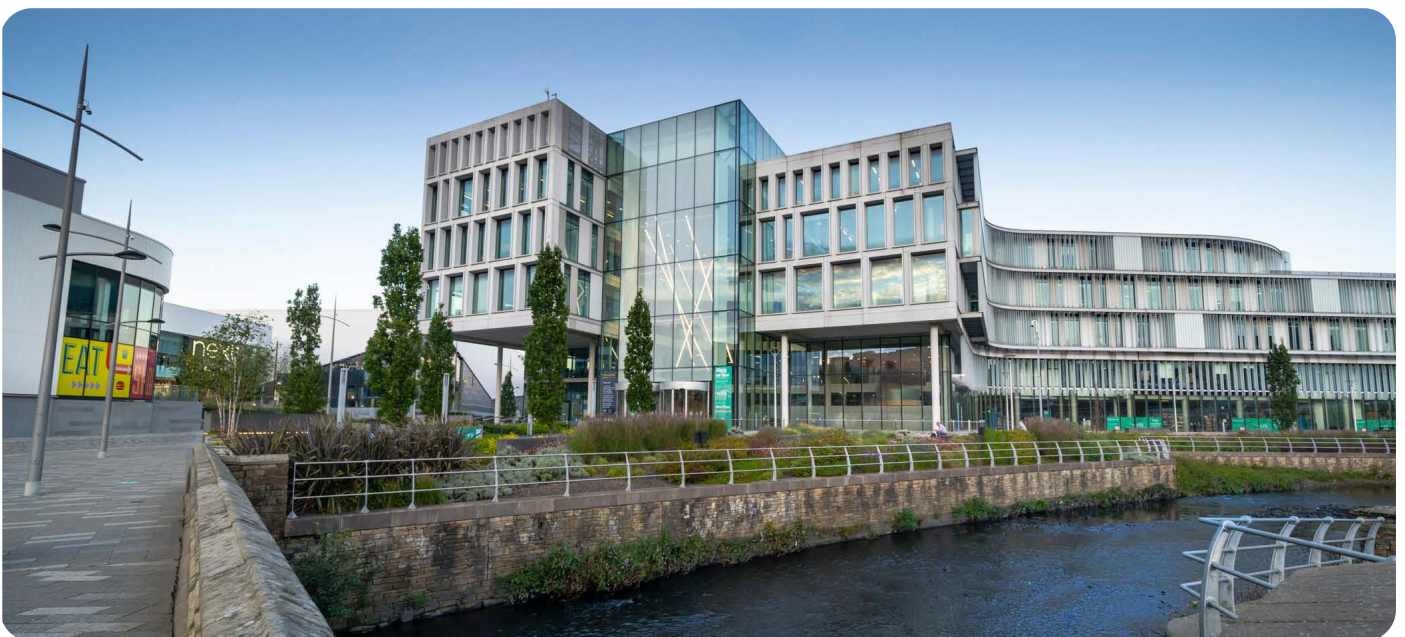
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The system has allowed us to negotiate a fair rate for complex placements, as we now have the confidence to break down care and non-staffing costs and have open discussions with providers when we need to. This is something we've never had before and a huge step forward for Rochdale. A huge well done to all our staff involved in an innovative project, which has shown our pioneering spirit at its very best.



The results

- Moving to needs-based care home budgets has given Rochdale Borough Council transparency on the resource allocation based on individual need
- This has facilitated commissioning to negotiate a fair rate for complex placements
- Process improvements have been achieved using the new residential banding model and assessment processes, as there is a sole focus on the needs of the individual
- Ability to track where a higher cost has been paid (above the estimated budget) as a market supplement
- The Council has been able to identify gaps in the market and present this information to the accommodation strategy group to develop and inform the market



Conclusion: Future-proofing with a needs-led digital approach

Local authorities across England continue to ensure that social care transformation remains at the forefront. They are recognising the need to move away from old assessment forms, stale locally-developed RAS tools and standalone 'cost calculator' spreadsheets. More and more LAs are seeking innovative routes to sustainability and future proofing of operations – acknowledging that the only way to do so is to move on from the limitations and variability in quality of practice inherent within the common RAS approach.

Even if the 2025 government reforms are delayed, LAs understand they will still suffer from significant funding gaps that will need to be filled through operational efficiencies and smarter service delivery. A new approach to assessments – including self-assessment – will empower LAs to put their best foot forward while liberating social workers to work more innovatively.

The advantage of implementing Formulate from Imosphere is that it has been co-produced with other LAs and will continue to evolve in line with industry requirements and legislative changes – serving to empower the workforce and better manage citizen demand. It supports practitioners in their day-to-day challenges while helping to attract the best talent possible to maintain standards for the social care sector.

Choosing an approach which appropriately balances strengths-based practice with ensuring accurate and equitable funding of eligible needs which remain after maximising the use of community assets will lead to better citizen outcomes, whilst making the very best use of diminishing resources.


Book an informal discussion to explore how our tools and solutions can support your operations.



Contact us







As we move towards social care reform, we need to ensure our systems are able to meet our changing and developing needs. By choosing Formulate, we aim to have a clear and more open resource allocation system for all. It also gives reassurance and speed to social workers and other professionals, because they have a tool which provides consistency and demonstrates clarity to customers.

Marcia Bowden
Oxfordshire County Council



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