

Appendix 3: Adult Care High-Scoring Risks

Risk ref	Service	Risk	Risk Owner	Impact	Likelihood	Residual Risk Score
ASR0004	Adult Services	Provider failure in terms of capacity, quality and business continuity.	Tracey Harrison	4	3	12

- **Explain the main reasons for the high risk score?** High numbers of vacancies in the care sector as a result of the pandemic – estimated at 18% vacancies, and unlikely to recovery in the short to medium term, and therefore risk of providers withdrawing from market is high. Robust contingency plans are in place to mitigate the risk. A likelihood score of 51- 75% for provider failure is thought reasonable in the current climate.
- **What have been the significant controls implemented to mitigate this risk?** Key controls include – Contingency plan in place across Northwest ADASS, working closely as part of the GM Market Fragility Group, local contingency plan now in place and work on an accommodation strategy is well underway to understand current and future needs. We have a robust escalation policy and procedure in place, and we engage with the care providers on a weekly basis to understand current vacancy levels, challenges and to discuss possible solutions. Significant finance has been made available through government grants, to support with expenses and sustainability through this period. Escalation meetings are in place when concerns are raised about a particular provider’s sustainability. Support networks are set around the care home sector in particular, this encompasses: grants, regular forums and communication, and an escalation process re sustainability concerns.
- **Are any reductions in the risk score anticipated in the future?** Not in short to medium term, and will be continually monitored. The risk of provider failure still remains with the pandemic, the unsettled financial climate and many changes happening within the providers causing investors and individual owners to be unsettled.

Risk ref	Service	Risk	Risk Owner	Impact	Likelihood	Residual Risk Score
ASR0010	Adult Services	Failure to manage within budget impacts the financial position of the authority and ability to provide services.	Steven Blezard	3	4	12

- **Explain the main reasons for the high risk score?** The priority given to meeting the health and wellbeing needs of citizens (and so legally comply with the Council’s statutory duties) means that Adult’s ability to manage budgets within limits is often not fully within our control. There has been a steady increase in high cost packages in recent years, with the cost of the 20 most expensive placements increasing from £2.5m per annum in 2015 to £4m per annum in 2021. The overall number of citizens presenting with social care needs has also increased, without a corresponding increase in the number of social workers to manage the increased workloads, further amplified by difficulties in staff recruitment and retention. The impact of the Covid pandemic has led to a reduction in residential care placements, although the number of placements is expected to return to normal levels in the near future. This has been offset by a significant increase in home care placements. The service is experiencing increasing pressures from complex CSC placements transitioning into the ASC service, and further resource is required to allow the service to plan these transitions early (ideally at age 14). There are temporary Covid funding arrangements in place such as funding towards hospital discharges and grants supporting the provider market which should allow break-even in 2021/22, however ongoing pressures will remain once the temporary support has ended.
- **What have been the significant controls implemented to mitigate this risk?** Spend and forecast spend is reviewed monthly, a thorough review of care costs is undertaken, and steps are taken to reduce costs whenever legally possible. Finance is a high priority for the Service alongside collection of income through care contributions. Monthly Finance Board meeting have been in place for many years, and finance staff are involved in a wide variety of meetings on a weekly/ monthly basis. The service has introduced the use of care cubed software for managing non-standard-complex placements. This allows challenge to the cost of new placements or requests for fee increases from existing placements, and weekly meetings are held between the Service and Finance colleagues to review placements in this way.
- **Are any reductions in the risk score anticipated in the future?** No reduction is anticipated in the foreseeable future but a medium term financial plan will help greatly if agreed. The risk in the current year is lower due to the benefits provided by the short term Covid funding arrangements, however this support is expected to have ended by the end of this financial year.