

## Review of movement in cost of packages of care for residents of William Robins Court, 2009-2015

### Purpose and Approach

The purpose of this analysis is to establish whether costs of packages of care have, on average, reduced following a move to WRC and what saving this might have achieved for ASC.

As at 10/11/2015, ten residents have lived at WRC for over 5 years (of which one over 6 years), five have lived at WRC between 2 and 3 years, and one has lived at WRC for under a year.

The tenant that has resided at WRC for less than a year at the time of analysis has been excluded from the analysis as their PoC has not yet been reviewed since move-in (review is due on 20/05/2016).

The analysis compared the cost of care package at three points:

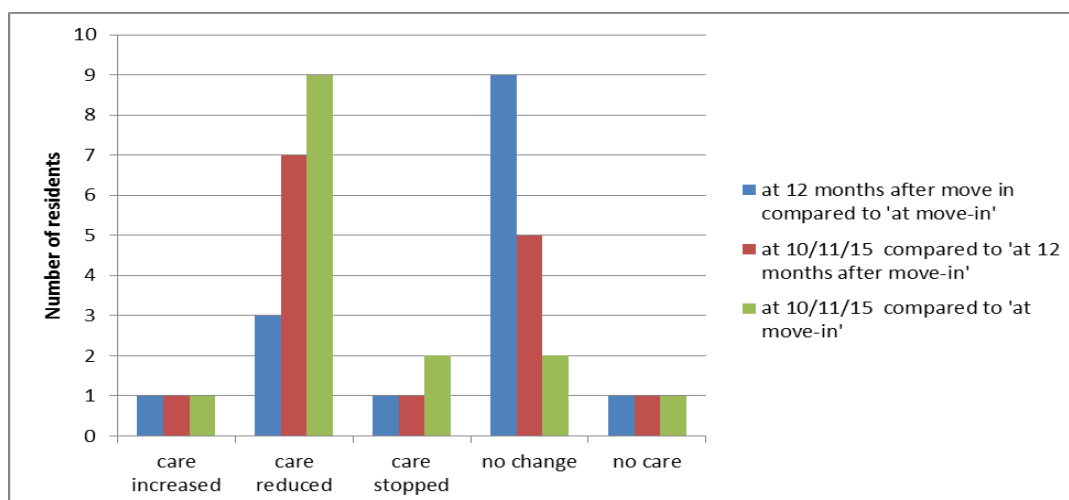
- at move-in,
- at 12 months after move-in, and
- at 10/11/2015.

To enable a comparison and address any changes in the hourly rate over the years, the size of the package i.e. number of care hours received per week were extracted for the above three points in time. All data was then multiplied by the current hourly rate for the care package, therefore the figures used in this analysis are not necessarily an entirely accurate presentation of the past cost but rather suggest what the number of care hours per week would cost at today's rate.

### Care Package Costs & Savings

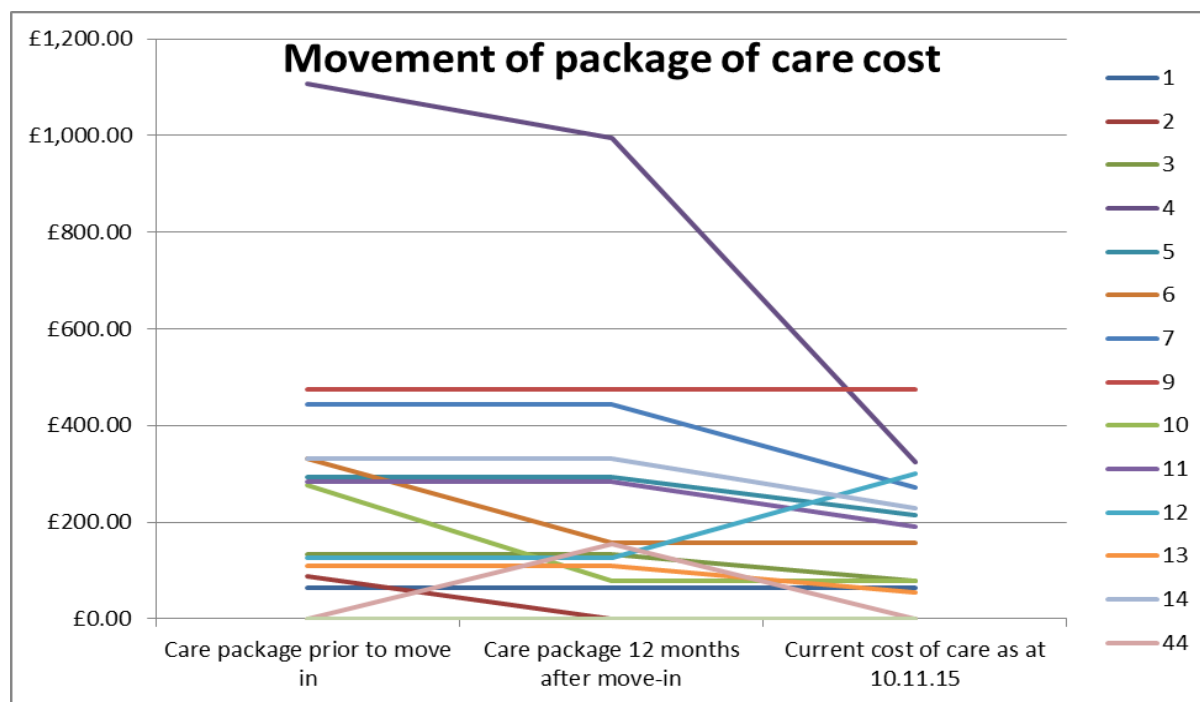
The following chart summarizes the number of residents for each type of change in the cost of care package at the following times:

- at 12 months after move-in compared to cost at move-in
- at 10/11/15 compared to at 12 months after move-in, and
- at 10/11/15 compared to at move-in

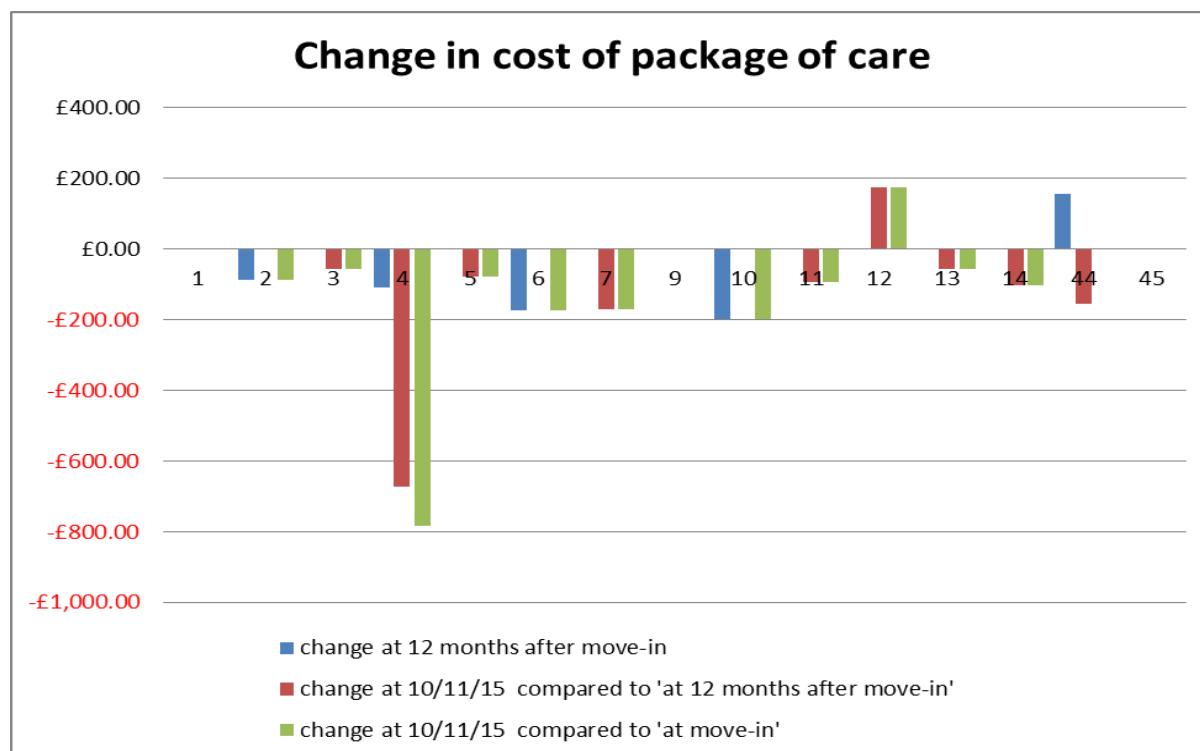


The total weekly cost of packages of care at move-in for all residents was £4,063.19; therefore the average cost per resident per week was £270.88. The total weekly cost of packages of care as at 10/11/15 is £2,438.29; therefore the average cost per resident per week is £162.55.

The following chart demonstrates the movement of cost of packages of care:



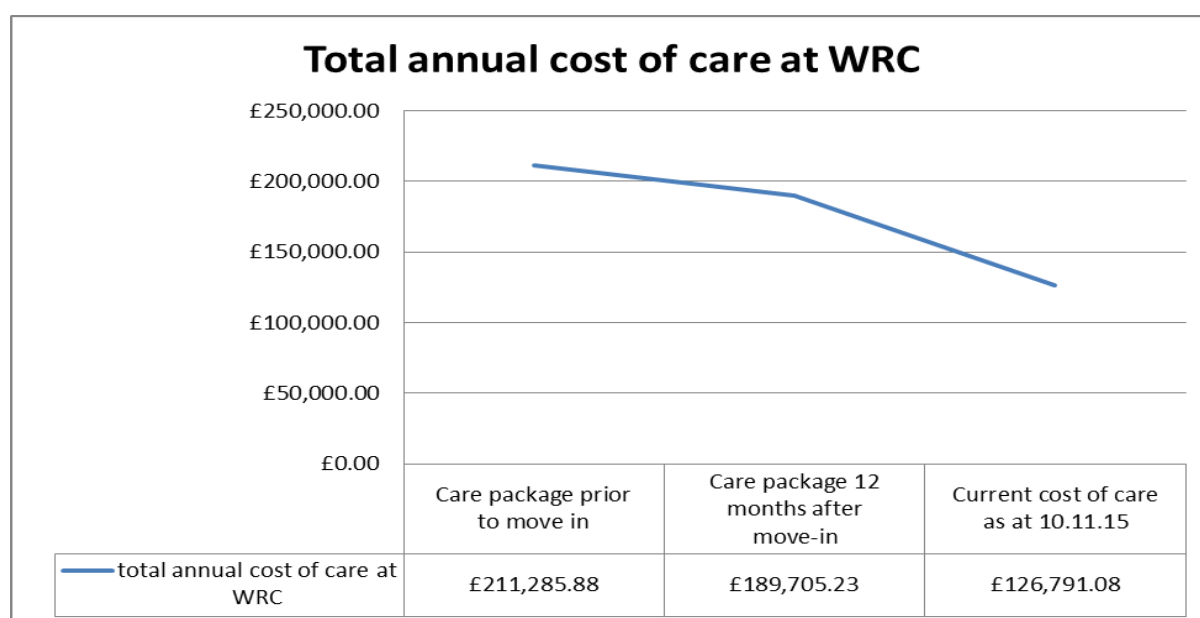
The changes in the cost of care package for each resident are measured in the following chart:



It is worth noting that the care package reduced or stopped within the first year for only four of the 15 residents, and further reduced for one of these four in future years. However, care packages reduced or stopped for another seven residents in future years. This suggests that the benefits are often not immediate and it can take several years to achieve a reduction of care package.

Interestingly, all but one of the residents whose care packages reduced within the first year have only resided at WRC between 2-3 years, and all but one of those who had their care packages reduced only after they had been at WRC for over 12 months, have been at WRC for over 5 years. Although the sample analysed is small and a more detailed analysis would be required to establish the reasons, this trend could suggest that we might have become better at helping people become more independent or that care package reviews might have improved in recent years.

Comparing the cost of packages of care on 10/11/15 to cost at move-in, an annual saving of £84,494.80 over 15 clients is achieved, i.e. an average of £5,632.99 per client per year. This equals a weekly saving of £1,624.90 over 15 clients, an average of £108.33 per client per week. In percentage terms, the average reduction in care package cost is 40%.



## Other Costs

### Provision of night service

In addition to individual care package costs, Adult Social Care also pay for a night service provision at WRC. The weekly cost of this service over the years has been:

- £269.46 between December 2009 and May 2014 (£14,011.92 per year)
- £275.31 between May 2014 and August 2015 (£14,316.12 per year)
- £409.50 from August 2015 to date (£21,294 per year)

Although the cost of night service provision has recently significantly increased, it has been a constant provision from the start of this scheme. Therefore, to establish how this cost affects the viability of WRC, the total annual cost of £148,085 (the sum of total care costs of £126,791 and night service provision cost of £21,294) would need to be compared to the likely annual cost if WRC

residents had been placed in alternative accommodation. This, however, is difficult to establish as different accommodation might not only have affected care package costs at move-in, but also individuals' health and independence levels over time, thereby affecting care package costs in a complex way.

#### Loss of rental income

The average void period (i.e. the period from the end of one tenancy to the start of a new tenancy) in sheltered housing schemes is 6 weeks. In comparison, void periods at WRC have lasted 9.5 weeks on average, with the shortest being 6 weeks and the longest 19 weeks. Therefore, on average, there has been a 3.5 week delay in letting a property at WRC.

Current rental income to Housing Revenue Account for a one bedroom apartment is £60 per week. Therefore, on average, during each void period at WRC, there has been a loss in rental income of £210 over and above what would be the expected loss in rental income in sheltered housing.

#### **Limitations**

It should be noted that the analysis has been done looking only at current residents at specific points in time, and therefore this does not mean that over the past 5 years a saving of £84,494.80 was actually achieved every year (or in any year), only that this would be achieved from 10/11/15 onwards, should all residents remain at WRC and their needs remain the same (both of which is unlikely). In addition, as mentioned above, the size of the package i.e. number of care hours received per week at the three different points in time were multiplied by the current hourly rate for the care package in order to enable a comparison and address any changes in the hourly rate over the years. Therefore, the figures used in this analysis are not necessarily an entirely accurate presentation of the past cost but rather suggest what the number of care hours per week would cost at today's rate.

This analysis also fails to capture any temporary increases/reductions in packages of care that have reduced/increased again by 10/11/15. Therefore, a much more thorough analysis would be required to establish actual savings each year since 2009, due to a variety of move-in dates and package reviews, as well as the changing cost of night service.

The analysis also does not capture what additional costs might have been incurred should the residents have continued to live in a less appropriate accommodation which might have been detrimental to their health and would have caused a deterioration of their situation i.e. what costs might have been prevented by their move to WRC.

Furthermore, this analysis does not look in detail at why the cost of packages of care has reduced and therefore cannot confirm that this was solely due to the relocation to WRC. There is a high trend of a reduction in the cost of packages of care - care package has reduced for seven of the ten residents who have been at WRC for over five years, and reduced or stopped for all who have lived at WRC between 2 and 3 years; however, to draw any conclusions, this would need to be compared to the trend in movement of the cost of package of care for all people with learning disabilities.

**Next steps**

A reduction of cost in package of care has been particularly significant for one of the residents, as demonstrated in the *Change in cost of package of care* and *Movement of package of care cost* charts. It would perhaps be worth exploring this case in more detail to establish whether any lessons can be learned and applied to any other high cost cases to achieve significant savings for ASC.

Furthermore, as the needs of most residents have reduced over the years, a further review could be undertaken to establish whether a different model of care provision could be adopted to achieve efficiencies or whether move-on should be considered for those whose needs have reduced and could therefore live in more independent accommodation.

Care packages could also be reviewed to ensure that those receiving direct payments are contributing to the cost of night service provision.

Finally, while the analysis suggests that in recent years a reduction in care package following a move to WRC was achieved faster, a further review of care provision and care reviews could inform whether there is more we can do to help people become more independent and reduce their need for care quicker.