

# **Savings Plan for Delegated Adult Social Work Services**

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### Executive Summary

Scottish Integration Joint Boards (IJBs) and councils continue to face significant structural funding pressures in adult social care, leading to recurring savings programmes and recovery plans.

Where specific, published proposals exist, savings are being delivered via demand management (including waitlisting and tighter eligibility), service redesign, and workforce/efficiency measures.

The likely impacts across Scotland include longer waiting times, reduced access to non-critical support, increased pressure on unpaid carers, and operational strain on providers; however, transformation aims to mitigate these through pathway redesign and prevention.

The Savings Plan reflected below sets out the measures required to achieve savings and secure a return to service and financial sustainability for the Adult Social Work Services delegated to the IJB by Dumfries & Galloway Council. Overall, this strategic programme sets out a **proactive and sustainable approach** to reshaping delegated social care. By prioritising critical need, strengthening prevention, rebalancing resources, and improving operational efficiency, Dumfries and Galloway can protect essential services, deliver statutory responsibilities, and establish a financially sustainable model for the future.

### Scope & Method

This savings plan lists the spend reductions and areas that the HSCP will focus to achieve a balanced budget for FY26/27 and to return to a level where reserves are created to support financial sustainability and, where possible, enable service growth within allocated funds.

The service is at the early stages of a transition in how it commissions services via Third Sector Alliance, this will aim to harness the income generation strengths within the Third Sector and look to shift services from crisis to early intervention. This is expected to enable the local authority delegated budgets to be spread further and be prioritised to meet assessed need.

There is also a requirement to maximise the totality of resources available to the IJB.

The identified budget gap for FY26/27 is £7m. The service areas below, with indicative targets are the areas that the HSCP will focus on.

As is the case for IJBs across Scotland, the Change & Savings Plan reflected below includes a range of measures that will inevitably impact on the levels of service that can be delivered.

The Council has included an allowance of £2.8 Million within its budget from 2026/27 to allow for consideration of support for this savings plan. The potential release of this funding would allow some flexibility in the extent to which these measures would need to be fully progressed in the upcoming financial year and also provide some allowance for any unanticipated further pressures that may arise.

## Appendix 4

The following table indicates the cost reductions/savings that will be progressed, with a brief description of how this will be achieved below the table. An indication of the likely impacts on the system are provided at the end of the report.

Savings Options/Areas to reduce spend				
Option id	Service area	Categorisation	FY26/27 £m	Full Year £m
IJBSW01	Learning Disability Care at Home	Care at Home	-1,438	-2,876
IJBSW02	Physical Disability Care at Home	Care at Home	-499	-997
IJBSW03	Mental Health Care at Home	Care at Home	-233	-467
IJBSW04	Learning Disability - Direct Payment	Care at Home	-235	-470
IJBSW05	Physical Disability - Direct Payment	Care at Home	-111	-222
IJBSW06	Mental Health - Direct Payment	Care at Home	-21	-42
IJBSW07	Older People - Direct Payment	Care at Home	-485	-970
IJBSW08	Learning Disability - Technology	Care at Home	-632	-1,265
IJBSW09	Supported Housing Development	Care at Home	-150	-200
IJBSW10	Responder Service	Care at Home	-150	-200
IJBSW11	Older People - Care at Home	Care at Home	-805	-1,610
IJBSW12	Older People - Reablement Model	Care at Home	-590	-1,230
IJBSW13	Service User Income	Income	-193	-257
IJBSW14	Review of Uplift Assumptions	Service wide	-100	-100
IJBSW15	Unallocated Unpaid Carer's Support monies	Third Sector	-125	-125
IJBSW16	Review of Adaptations budget	Service Wide	-75	-75
IJBSW17	Social Care Visioning	Service Wide	-1,178	-1,160
Total			-7,020	-12,267

This can be summarised by service group in the table below:

Breakdown by Service Group		FY26/27	FY27/28
Older People		-2,030	-4,010
Under 65's		-3,319	-6,539
System Wide		-1,671	-1,717

### **IIBSW01 Learning Disability Care at Home**

The spend on care at home for services designated as Learning Disability is forecast to be £30.5m in FY26/27. The budget is provisionally £26.7m. The overspend estimated at £3.8m. Within this spend is approx. £4.1m of overnight support. The remaining budget equates to approx. 16,800 hours of care per week.

The SW service, as part of the FY25/26 cost containment measures, brought in a recycling of care process where 70% of care that had ended was available to allocate for increased or new care assessments. This was partially successful in reducing and containing a trend of increasing costs within this service area.

On average, over the first 34 weeks care either reduced or ended at a level of 78 hours per week. The service was permitted to re-use 70% of this. This proposal sees that allowance reduce to 50%, which would equate to just over 2,000 hrs per week after a full year. This would equate to £1.438m in FY26/27 increasing to £2.876m the following year. This would equate to a reduction in care at home hours of 12%.

### **IIBSW02 Physical Disability Care at Home**

The spend on care at home for services designated as Physical Disability is forecast to be £5.3m in FY26/27. The budget is provisionally £4.5m. The overspend estimated at £0.8m. The forecast equates to approx. 3,950 hours of care per week.

The SW service, as part of the FY25/26 cost containment measures, brought in a recycling of care process where 70% of care that had ended was available to allocate for increased or new care assessments. This was partially successful in reducing and containing a trend of increasing costs within this service area.

On average, over the first 34 weeks care either reduced or ended at a level of 27 hours per week. The service was permitted to re-use 70% of this. This proposal sees that allowance reduce to 50%, which would equate to just over 700 hrs per week after a full year. This would equate to £0.499m in FY26/27 increasing to £0.997m the following year. This would equate to a reduction in care at home hours of 18%.

### **IIBSW03 Mental Health Care at Home**

The spend on care at home for services designated as Mental Health is forecast to be £2.6m in FY26/27. The budget is provisionally £2.4m. The overspend estimated at £0.2m. The forecast equates to approx. 1,900 hours of care per week.

The SW service, as part of the FY25/26 cost containment measures, brought in a recycling of care process where 70% of care that had ended was available to allocate for increased or new care assessments. This was partially successful in reducing and containing a trend of increasing costs within this service area.

On average, over the first 34 weeks care either reduced or ended at a level of 13 hours per week. The service was permitted to re-use 70% of this. This proposal sees that allowance reduce to 50%, which would equate to just over 329 hrs per week after a full year. This would equate to £0.233m in FY26/27 increasing to £0.467m the following year. This would equate to a reduction in care at home hours of 17%.

### **IIBSW04 Learning Disability Direct Payments**

The spend on Direct Payments for services designated as Learning Disability is forecast to be £3.3m in FY26/27. The budget is provisionally £2.4m. The overspend estimated at £0.9m. The forecast spend equates to approx. 4,131 hours of care per week.

The SW service, as part of the FY25/26 cost containment measures, brought in a recycling of care process where 70% of care that had ended was available to allocate for increased or new care assessments. This was partially successful in reducing and containing a trend of increasing costs within this service area.

On average, over the first 34 weeks direct payments either reduced or ended at a level of £18k per week (1,178 hrs per week). The service was permitted to re-use 70% of this. This proposal sees that allowance reduce to 50%, which would equate to an annual reduction of £0.47m (588 hrs per week). This would equate to £0.235m in FY26/27 increasing to £0.47m the following year. This would equate to a reduction in direct payment hours of 14%.

### **IIBSW05 Physical Disability Direct Payments**

The spend on Direct Payments for services designated as Physical Disability is forecast to be £4.5m in FY26/27. The budget is provisionally £2.9m. The overspend estimated at £1.6m. The forecast spend equates to approx. 5,634 hours of care per week.

The SW service, as part of the FY25/26 cost containment measures, brought in a recycling of care process where 70% of care that had ended was available to allocate for increased or new care assessments. This was partially successful in reducing and containing a trend of increasing costs within this service area.

On average, over the first 34 weeks direct payments either reduced or ended at a level of £8.5k per week (557 hrs per week). The service was permitted to re-use 70% of this. This proposal sees that allowance reduce to 50%, which would equate to an annual reduction of £0.22m (278 hrs per week). This would equate to £0.22m in FY26/27 increasing to £0.44m the following year. This would equate to a reduction in direct payment hours of 5%. This would not be enough to address the level of overspend requiring additional measures in other services to meet current spend levels.

### **IIBSW06 Mental Health Direct Payments**

The spend on Direct Payments for services designated as Mental Health is forecast to be £0.17m in FY26/27. The budget is provisionally £0.3m. Whilst there is an underspend in

this budget, the underspend is used to offset pressures elsewhere within Mental Health Service, in the main Residential Placements. The forecast spend equates to approx. 218 hours of care per week.

The SW service, as part of the FY25/26 cost containment measures, brought in a recycling of care process where 70% of care that had ended was available to allocate for increased or new care assessments. This was partially successful in reducing and containing a trend of increasing costs within this service area.

On average, over the first 34 weeks direct payments either reduced or ended at a level of £1.6k per week (106 hrs per week). The service was permitted to re-use 70% of this. This proposal sees that allowance reduce to 50%, which would equate to an annual reduction of £0.042m (53 hrs per week). This would equate to £0.021m in FY26/27 increasing to £0.42m the following year. This would equate to a reduction in direct payment hours of 24%.

### **IIBSW07 Older People Direct Payments**

Whilst the measures of recycling care which have been achieved in Older People have reduced the care at home hours by approx. 1,500 hours per week projecting a significant full year underspend in FY26/27, it is proposed that this will be used to offset pressures in other budget lines. There remains an overspend within Older People Direct Payments.

The spend on Direct Payments for services designated as Older People is forecast to be £4.1m in FY26/27. The budget is provisionally £3.6m. The average cost of an Older People Direct payment arrangement is £15.2k per annum against the average care at home arrangement of £11.1k. The forecast spend equates to approx. 5,133 hours of care per week.

The SW service, as part of the FY25/26 cost containment measures, brought in a recycling of care process where 50% of care that had ended was available to allocate for increased or new care assessments. This was partially successful in reducing and containing a trend of increasing costs within this service area.

On average, over the first 34 weeks direct payments either reduced or ended at a level of £37k per week (2,436 hrs per week annualised). The service was permitted to re-use 50% of this. This proposal sees that allowance continue at 50% or look at equivalency of support aligned to care at home, this would equate to an annual reduction of £0.485m (1,218 hrs per week). This would equate to £0.485m in FY26/27 increasing to £0.97m the following year. This would equate to a reduction in direct payment hours of 24%.

### **IIBSW08 Learning Disability - use of Technology**

Across service groups but mainly with LD services there is approx. £5.1m of overnight support through either sleeping nights, waking nights or shared sleeping and shared waking nights.

There are 42 single sleeping nights arrangements and 30 shared sleepover arrangements, as well as 11 shared waking nights costing in the region of £5.1m. There has been trialling of technologies in this area with the use of overnight sensors and monitoring enabling the conversion of waking nights to sleeping nights and the removal of some sleeping nights. This proposal looks at further implementation of this strategy with a targeted reduction of 25%. This reduction will be implemented in conjunction with service users and the providers who currently deliver services.

The savings target looks to reduce the spend on an annual basis, with 50% of that delivered in FY26/27 equating to £0.63m and £1.26m in the year following technology implementation.

The service will continue to review the use of technology where this can replace paid for care, areas being considered alongside overnight technology including prompting and re-assurance technologies alongside larger aids and adaptations.

### **IIBSW09 Learning Disability – Supported Housing Development**

The HSCP has been actively working with Registered Social Landlords, Providers and service users on various housing developments with one scheme due to come available in June 2026. This will see 6 units at a cost of approx. £180k per annum.

The service has identified out of region placements that can return to the region, making the site fully budgeted for with the opportunity to deliver cost reductions. A business case is currently being worked on which will look to deliver cost reductions of circa £50 for each of 4 placements. This could realise £150k in the FY26/27 and £200k in years beyond that.

### **IIBSW10 Older People – Responder Service**

The HSCP has been actively reviewing its use of responder's services, where it funds a key holding service and funds a provider to act as responder when a service user does not have access to a responder as part of carecall requirements.

The service has been actively encouraging the use of individuals own responders and have reduced the numbers who access key holding from 605 down to 512 and reducing call outs from approx. 2,200 per annum to a forecast of 1,600 for the current financial year. Costs are estimated to have reduced from £474k per annum down to £385k.

The service continues to review the service and are looking at individuals who do not access the call out service or who only have one call out in last two years. 248 individuals had a call out in the last year, of which 150 had more than 1 call out. Leaving the service with those that had more than 1 call out would reduce costs by approximately £240k. Estimated cost reduction in year 1 is £150k increasing to £200k in year 2.

### **IIBSW11 Older People – Care at Home**

The measures looking to reduce spend on Under 65's services are unlikely to address the projected brought forward deficit of £8.8m without re-alignment of budgets and further reductions on Older People Services.

The budget for Older People's Care at Home, following projected re-alignments, is £12.4m with forecast spend for FY26/27 to be £12.4m. This is without any additional recycling measures put in place. This would equate to approx. 9,800 hours per week.

The spend on care at home for services designated as Older People has reduced weekly hours following 50% recycling being implemented since Sep 1<sup>st</sup>. On average hours have reduced by 139 hours per week and 50% recycling of these hours has been approved. This has been successful in returning the Older People budget to a projected balance from FY26/27 however it has experienced most reductions compared to under 65's budgets.

As part of the measures to improve delayed discharges, the Scottish Government provided £1.3m of one-off unscheduled care monies to improve flow. This was applied to the social care older people budget and allowed for 640 hours of care to be added back into the system. In order not to add to next year's deficit, it will be necessary to reduce hours each week by approx. 12 hours.

The service based on the recycling of care in FY25/26 could increase this upto 75% recycling allowance from 50% which would mean an additional reduction of 23 hours per week. This would reduce spend in FY26/27 by a further £0.8m and £1.6m annually with a nett reduction in hours per week of 1,800 hours. This would equate to a further reduction in hours equating to 18%.

### **IIBSW12 Older People - Re-ablement Service**

Within the in-house Re-ablement team there are several vacancies which equate to 182 hours of staff time. Previous financial modelling, alongside service management information indicated that individuals could be re-abled at a level equating a 60% avoidance of care. If these hours were filled and the previous levels of care were avoided, then this could complement the wider system.

Previous calculations were 60% care recycled in 6-week blocks. This would mean 109 hours of care per week avoided every 6 weeks. In a year, there should be 8 six- week cycles in a year, this could avoid 874 hours of care per week. The cost avoided would equate £1.2m per annum. In the first year this could equate to £0.6m. If used alongside a recycling of care process, it could result in reduced costs.

### **IIBSW13 All Service Users - Income Generation**

It is proposed that a review of a range of services is considered for increasing or applying charges to. This may require a direction to the local authority to amend the non-residential community care charging policy.

In the local authority and within other local authorities and IJB's/Health and Social Care Partnerships there is an automatic annual uplift to fees and charges. This has never been applied within D&G IJB/HSCP. The local authority, within its FY26/27 recently approved a 5% increase to fees and charges. It did not list HSCP charges within this.

Within the social care charges, excluding carecall, a financial assessment is carried out which limits the level of charges an individual can be assessed as requiring to pay. The cost of care is, in most cases, greater than the individual's ability to pay. This means an increase in fees and charges does not always generate additional income. There has been no increase in fees and charges for non-residential social care unit costs, except carecall for over 10 years.

The fee applied for carecall has recently been increased to £6 per week due to increasing costs and this was increased on 1<sup>st</sup> January 2026. The IJB/HSCP could consider an annual 5% increase aligned to inflation to cover increasing annual costs. This would generate approx. £53k per annum. It may be seen as too soon to increase following the recent increase and it may be that this proposal applies to future years.

Another area where costs have increased are the administration and registration of blue badges. The annual costs of administering blue badges costs just under £200k per annum. There are approx. 4,500 badges issued each year, and they require to be re-applied for every 3 years. Dumfries and Galloway Council are the only local authority (1 LA unknown) in Scotland that does not levy a £20 per badge admin fee. A £20 admin charge would generate £90k per annum towards the £200k per annum costs of administering the scheme.

Within the non-residential charging policy there is a charge for day care services for over 65's and under 65's, however this is not extended to the use of Adult Resource Centres (ARC's). Most users of ARC's will be those with a Learning Disability.

The costs of running the 9 ARCs in D&G are in the region of £4.5m. There are 232 service users who access 526 sessions per week. Of those 101 service users, accessing 228 sessions per week do not have any alternative care and therefore pay towards locally authority provided care. It is proposed that this service is financially assessed and the day care rate of £21.70 per session is applied. It is assumed within modelling that the ability to pay of any individual will not be greater than £21.70. The income this could generate would be £114k per annum.

### **IIBSW14 Service Wide – Review of Uplift Assumptions**

The financial modelling of the costs of living wage applies assumptions linked to the living wage and incurring these uplifts across all services. In some cases, the uplifts are not required. An estimate of £100k could be 'saved' from a review of the application of the £7.6m of uplifts contained within the financial model which determines the budget. It is proposed that a review of uplifts is carried out within the HSCP.

### **IIBSW15 Third Sector – Unpaid Carer's Support Budget**

Within the unpaid Carers budget there is an unallocated annual budget which the Carer's Programme Board target towards supports for unpaid Carer's. This support can be training, information sessions or various targeted supports to help maintain the caring role that unpaid carers carry out. This budget is £228k and due to the need to contain all expenditure in FY25/26 was held at £103k as decisions had already been taken to commit funds. There is a training spend within this £103k which is felt as vital to provide training to help unpaid carers carry on their role. The Carer's Programme Board would like to continue to access the £228k budget with £103k seen as critical spend. The HSCP could review the remaining unallocated budget of £125k.

### **IIBSW16 Service Wide – Adaptations Spend**

Within the Occupational Therapy budget there is £417k budget with a projected spend in FY 25/26 of £317k. This was a budget pressure in FY24/25 and through stricter controls around allocations the budget has been brought back within budget. Within this budget £275k is allocated for straight stairlifts ordered and fitted via Glasgow City Council (GCC). This budget is forecast to underspend in FY25/26 by £75k and the budget has been provisionally set with GCC at £200k. The HSCP could make the decision to make a saving in this spend area.

### **IIBSW17 Service Wide – Social Care Visioning**

Delegated social care services in Dumfries and Galloway face significant and escalating financial pressures, driven by rising demand, workforce challenges, and a structural funding gap of approximately **£7 million**, mainly within the under-65s care sector. Current expenditure on care at home and direct payments is around £65 million, exceeding the allocated budget of £58 million, while only £4-£6 million is invested in **preventative and third-sector supports**—areas known to reduce reliance on statutory services. Achieving financial sustainability requires a system-wide shift toward prevention, better resource allocation, and improved financial governance.

To address these pressures, new **eligibility** criteria have been implemented, focusing statutory support exclusively on individuals with critical levels of need. This outcomes-focused approach ensures high-risk cases are prioritised while encouraging the use of preventative strategies and community-based alternatives for lower-level needs. A **strengthened strategic partnership** with the third sector is central to this shift, drawing on evidence from across the UK demonstrating that community-led models reduce waiting lists, lower caseloads, prevent avoidable admissions, and deliver significant social and economic benefits. These models will help **redirect demand** away from long-term, high-cost formal care.

Further cost reduction and improved service outcomes will be achieved by expanding **reablement and digitally enabled care**. This includes enhancing the Discharge to Assess model, modernising assessment processes, and using digital tools such as remote monitoring and electronic assessments. These approaches promote independence, reduce

long-term care needs, improve efficiency, and support timely decision-making. Together, they help slow the rate of growth in complex care packages and ensure more effective use of resources.

Financial modelling indicates that sustainability requires an average **10% reduction** in care package costs across all care groups. This will be achieved through a **cap on care** for under-65s, application of deflators within **personal budgets**, stronger budget-management controls, **diversion** to community and third-sector supports, and expanded use of reablement and digital alternatives. These actions collectively rebalance the system and support delivery within the delegated budget envelope.

Overall, this strategic programme sets out a **proactive and sustainable approach** to reshaping delegated social care. By prioritising critical need, strengthening prevention, rebalancing resources, and improving operational efficiency, Dumfries and Galloway can protect essential services, deliver statutory responsibilities, and establish a financially sustainable model for the future.

It is difficult to quantify the savings that this new change programme will achieve, there are likely to be savings in the first year as the service ends contracts and shifts to the new Third Sector Alliance however the cost reductions will be required through a shift to Social Care being the last output as opposed to current practice where it is called on earlier in an individual's health and social care outcomes journey.

### **Application of the additional Budget monies from Local Authority**

The budget gap is £7m, however £2.8m has been identified by the council to support delivery of the savings and change programme. There are 4 posts that are identified as key to either continue the cost containment and savings measures with another required to aid the systems modelling work required. It is estimated that these will cost in the region of £250k which will be funded from within that £2.8m. The HSCP will consider what further resources it will require, with the majority of the funding likely to be required to support issues that arise and challenges associated with the delivery of the savings plan during the course of the year.

### **Areas Where Change is Required**

- 1) Demand Management & Eligibility: Tighter thresholds, phased activation of new packages, and waitlisting to align demand with capacity and budget. (e.g., Glasgow SDS waitlisting)
- 2) Service Redesign & Transformation: Whole-system redesign to shift care upstream and standardise pathways; recovery plans aligned across IJB and partner bodies. (e.g., RCRP, D2A, Delayed Discharges, Coming Home, Third Sector Alliance)

3) Workforce & Cost Control: Vacancy management, reduced agency/overtime dependence, and workforce reshaping to address structural cost pressures across providers and councils.

4) Efficiency & Reprofiting: Non-staffing spend controls, procurement efficiencies, asset rationalisation, and digital optimisation to reduce recurring costs.

**Impacts on Services**

- Potential reductions in availability or timeliness of non-critical services and heightened prioritisation of statutory/critical need.
- Operational pressure on HSCPs and commissioned providers during transition and implementation of redesigned pathways.
- Increased focus on prevention and intermediate care to mitigate acute flow pressures long-term.

**Impacts on Service Users & Carers**

- Longer waits for assessment or service commencement, especially for lower criticality needs.
- Possible reductions in scope or frequency of packages for non-critical needs; increased reliance on unpaid carers and community assets.
- Equity considerations: managing disproportionate effects on rural communities and people with complex needs.

**National Policy & Governance Context**

IJBs must deliver breakeven positions, often necessitating in-year recovery plans and transformation, while national policy signals continued reform of IJBs (toward National Care Service local boards) and central oversight. Budget outlooks indicate constrained real-terms growth, requiring ongoing prioritisation and efficiency.