



Date: Monday, 12 October 2026

Time: 2.30 pm

Venue: Council Chamber, The Guildhall, Frankwell Quay, Shrewsbury, SY3 8HQ

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FINANCE AND IMPROVEMENT OVERVIEW AND SCRUTINY COMMITTEE

TO FOLLOW REPORT (S)

6 Adult Social Care Transformation Plan (Pages 1 - 12)

The purpose of this report is to set out the Council's Adult Social Care Transformation Programme, including the proposed approach, expected benefits, and decisions required to support sustainable, high-quality services for residents.

Contact: Laura Tyler/Natalie McFall

REPORT TO FOLLOW – To allow further changes to be made to the report following informal Cabinet.

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Committee

Finance and Improvement
Overview and Scrutiny
Committee

Date and Time

12 October 2026

Public

Adult Social Care Transformation Programme

Cabinet Member:	Councillor Ruth Houghton Portfolio Holder for Adult Social Care and Public Health	
Lead Director:	Natalie McFall	
Service Area:	Care and Wellbeing	
Report Author	Natalie McFall	
Officer contact details	Email: Natalie.mcfall@shropshire.gov.uk	
Electoral Divisions Affected	All	
Key Decision?	Not Key Decision	
Cabinet Forward Plan	Not Applicable	
Report considered by	One Shropshire Board – 1 October 2026 Finance and Improvement Overview and Scrutiny Committee Scrutiny – 12 October 2026 Cabinet – 14 October 2026	

1. Purpose of Report

- 1.1 This report presents the Adult Social Care Transformation Programme to the Finance and Improvement Overview and Scrutiny Committee for review and scrutiny, with particular focus on financial stabilisation, proposed transformation investment, delivery assurance and the approach to identifying and validating future savings.
- 1.2 The programme responds to rising demand, increasing complexity of need, workforce pressures and affordability challenges. It brings together 11 identified programmes across four strategic themes: Access, Prevention and Community Support; Independence and Recovery; Complex Care and Accommodation; and Commissioning and Financial Sustainability.
- 1.3 The programme is intended to enable people to live independently with greater choice and control, shift support upstream through prevention and earlier intervention, reduce

or delay reliance on high-cost formal care and complex pathways, and improve outcomes while strengthening financial sustainability and managing the market.

- 1.4 The programme comprises projects at different stages of development and delivery. While some are already moving into delivery/implementation, others require diagnostic and discovery work to establish baselines, identify opportunities and define the most effective programme activity. This approach ensures that future transformation is evidence-based, prioritised according to need and impact, and supported by clear delivery plans and benefits realisation measures.
- 1.5 This report enables the Committee to examine the overall programme direction, financial context, governance and assurance arrangements, and to identify any matters it wishes Cabinet and the Executive to consider as the programme develops.

2. Recommendations

Finance and Improvement Overview and Scrutiny Committee is recommended to:

- 2.1 note and comment on the ASC transformation programme ahead of the report going to Cabinet on 14 October.

3. Background

- 3.1 Adult Social Care is facing sustained challenges both locally and nationally. In Shropshire, demand is increasing as more people live longer with frailty, dementia, disability and complex long-term conditions, alongside rising expectations of quality, choice and timely support. Shropshire's demographic profile is expected to intensify these challenges, with the population aged 65 and over projected to increase significantly over the next decade, creating additional demand for care and support services.
- 3.2 These demographic, demand and inflationary factors have made Adult Social Care one of the Council's most significant financial challenges. Together, Adult and Children's Services account for 71% of the Council's overall budget. Rising complexity of need, workforce and provider cost inflation, and increasing demand for care have placed sustained pressure on resources in recent years, contributing to significant budget challenges during 2025/26 and exposing an underlying structural funding deficit within the service. Local care market pressures, including workforce shortages, provider cost inflation and capacity constraints, also continue to affect the availability, cost and sustainability of commissioned care.
- 3.3 During 2026/27, this structural deficit has been addressed through a combination of budget realignment, strengthened financial controls, demand management and service redesign. Financial monitoring to date this year is forecasting a favourable position, providing early evidence that these actions are helping to stabilise Adult Social Care finances and create a stronger foundation for the future. Further detail regarding the financial position and improvement trajectory is set out in previous budget reports and in-year financial monitoring reports considered by Cabinet throughout 2025/26 and 2026/27.
- 3.4 While progress has been made, the current operating model often begins formal assessment when residents are already in crisis or experiencing significant instability. This can result in decisions being made at the highest point of need, increasing

reliance on long-term commissioned care, higher-cost support packages and reducing opportunities to maximise independence, wellbeing and community-based support.

- 3.5 In response, the Adult Social Care Transformation Programme has been developed through external challenge, internal analysis, financial review activity, budget planning, engagement on the refreshed Adult Social Care Strategy and the development of connected improvement workstreams. The programme aims to support residents to remain independent for longer, improve outcomes, strengthen statutory compliance, manage future demand growth and establish a more sustainable operating model for Adult Social Care.
- 3.6 Local Government Association benchmarking indicates that Adult Social Care expenditure is broadly in line with comparable authorities, providing assurance that the financial challenges facing Shropshire are consistent with wider national trends rather than exceptional local spending.
- 3.7 As a result, 2026/27 represents a year of financial stabilisation and foundation building, with further benefits expected during 2027/28 and more significant long-term improvements anticipated from the Adult Social Care Diagnostic Review and wider transformation programme from 2028/29 onwards. Progress will continue to be monitored through Improvement Board oversight, programme governance arrangements and external challenge.
- 3.8 The programme has now reached a validation and mobilisation stage. Project initiation documents, assumptions, scope, benefits and delivery plans are being reviewed, with priorities and dependencies being tested to ensure they remain realistic and achievable. Financial validation is a critical part of this process and projected savings cannot be treated as deliverable until they have been fully assessed and assured. Scrutiny is therefore being asked to endorse the overall programme direction and strategic approach while recognising that individual workstreams may require further development, refinement and approval through the appropriate governance processes before implementation.

4. Summary of Main Proposals

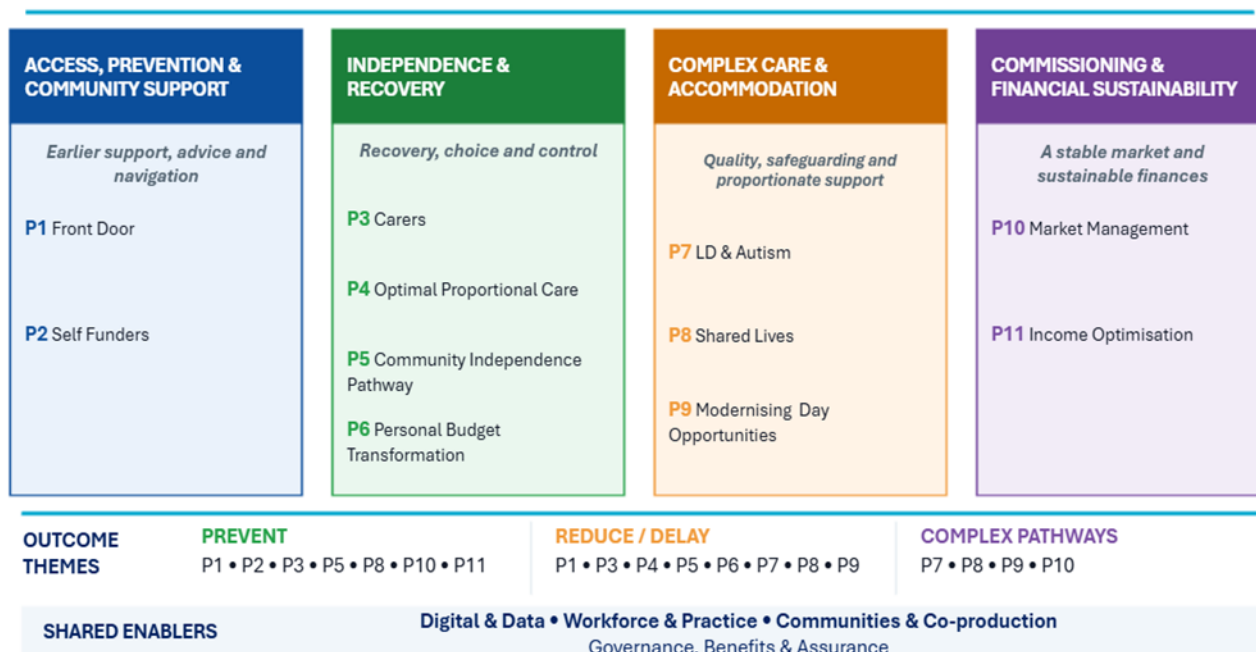
- 4.1 The programme is structured around four strategic themes. These themes provide a clear line of sight between transformation activity, resident outcomes, financial sustainability and delivery assurance:
- **Access, Prevention and Community Support** focuses on earlier help, a clearer front door, stronger information and advice, self-funder support, carer support, community navigation, debt prevention and support to maximise access to eligible benefits. This theme is intended to prevent escalation, improve first contact, increase advice and support to unpaid carers and strengthen data on demand and impact.
 - **Independence and Recovery** focuses on reablement, recovery, the Community Independence Pathway, optimal handed care, technology enabled care and personal budget transformation. The emphasis is on helping people regain or maintain independence, increasing care market capacity and reducing new long-term care packages where this can be achieved safely and lawfully.
 - **Complex Care and Accommodation** focuses on Learning Disability, Autism, Mental Health and other complex care pathways, Shared Lives expansion, day services modernisation, housing and supported living options. This area is expected

to be informed by the Adult Social Care Diagnostic Review, with particular attention to the 18-65 cohort, transitions, high-cost care, local support and pathway consistency.

- **Commissioning and Financial Sustainability** focuses on market management, provider relationships, cost avoidance, technology review, income optimisation, continuing healthcare, section 117 processes, financial assessment capacity, debt recovery and property-related income. This theme provides the programme link between commissioning practice, market shaping, benefits tracking and the Medium Term Financial Strategy.



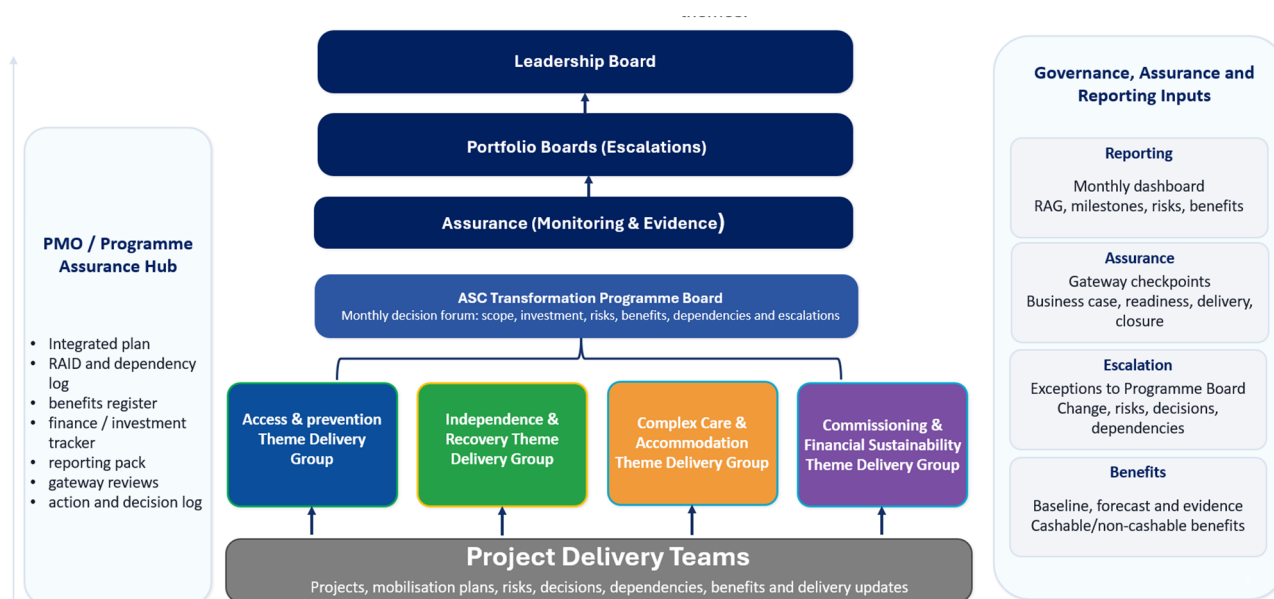
- 4.2 Prevent activity focuses on early identification, advice, information, equipment, digital support, community networks and low-level interventions to help people maintain wellbeing and reduce avoidable escalation into formal services.
- 4.3 Reduce and Delay activity includes strengths-based conversations, reablement, therapy, equipment, adaptations, short-term support, proactive reviews, carer support and coordinated risk management to help people regain or maintain independence.
- 4.4 Complex Pathways will provide clearer routes for people with the highest levels of need, risk or multi-agency involvement, supported by specialist assessment, multi-disciplinary decision-making, care planning, brokerage, safeguarding, mental capacity considerations and senior oversight.
- 4.5 The 11 identified programmes are front door redesign, self-funder support and guidance, carers, optimal handed care, Community Independence Pathway, personal budget transformation, Learning Disability and complex care, Shared Lives, modernising day services, market management and income optimisation.



- 4.6 Some projects are already in delivery, including optimal handed care and the Community Independence Pathway. Others are in discovery, diagnostic or design stages and will require further validation before any recurrent investment, savings or income assumptions are confirmed. This staged approach allows the Council to maintain momentum while protecting financial control and governance.
- 4.7 A diagnostic review of Adult Social Care has been commissioned to provide independent challenge, sector benchmarking and detailed analysis of service delivery, particularly for people with complex needs. Through case audits and system-wide review, the diagnostic will identify opportunities to improve outcomes, strengthen strengths-based practice, optimise commissioning activity and ensure resources are focused where they deliver the greatest impact. The findings will inform the next phase of the Transformation Programme, supporting evidence-based decision making, future investment priorities and long-term financial sustainability. Key findings and final recommendations expected in January 2027.
- 4.8 The Community Independence Pathway is already providing useful evidence. Across the initial learning review and the April to July 2026 update, 418 referrals were recorded and 317 people went through the pathway. At the 3-month review point, out of 137 referrals, 42% had needs fully met without commissioned support, and a further 15% were supported with equipment and technology. Referrals have increased and more people are going through the pathway. Whilst this programme is about improving outcomes and financial sustainability, at its heart it is about people. One person supported through the Community Independence Pathway told us: 'I feel less anxious and more confident to maintain independence.' That reflects exactly what this programme is trying to achieve; helping people to remain independent, reduce reliance on formal services where appropriate and stay connected to their communities.
- 4.9 Digital transformation is a cross-cutting enabler as part of the wider Council digital programme to support digital-by-choice access for communities, not digital-only access. The programme will support multiple entry routes, including digital access, phone and contact centre routes, assisted digital support, partner and provider referrals, face-to-face support and community navigation. Digital tools should improve

information, triage, demand visibility, case status, capacity planning and administrative efficiency, while ensuring that assisted and non-digital routes remain available and professional judgement remains central. Work across these areas will include points of data capture to inform performance data collection, continuous development and improvement, and prioritisation.

- 4.10 The shift towards earlier intervention and prevention will be underpinned by staff training, supervision and development, supporting practitioners and managers to embed strengths-based practice, consistent decision-making and a more preventative approach across Adult Social Care pathways.
- 4.11 Across all projects, co-production opportunities will input into service redesign, ensuring they are person-centred and accessible.
- 4.12 Delivery will also require strong partnership working with the voluntary, community and social enterprise sector, health partners, housing, care providers and community organisations, recognising their role in prevention, early help, community navigation, carer support and maintaining independence.
- 4.13 The transformation programme will be supported by governance arrangements, with each area having a senior officer responsible for delivery and for informing the transformation boards. The programme will report into an overall Transformation, Improvement and Change Assurance Board comprising members of the Council's Leadership.



- 4.14 To support delivery of the Adult Social Care Transformation Programme, Scrutiny is asked to note the provisional funding of up to £4 million of transformation funding over the next three financial years, recognising that investment will be required to deliver service redesign, implementation support, programme capacity, technology, and change activity. The funding provision will be incorporated within the Council's Medium-Term Financial Plan (MTFP) and will enable the development and delivery of workstreams designed to improve outcomes, manage future demand, and support the long-term financial sustainability of Adult Social Care. The allocation of funding to individual projects will be subject to appropriate business case development, governance, financial validation and approval processes.

5. Alternative Options

- 5.1 Option 1 is to endorse the Adult Social Care Transformation Programme and progress its workstreams through phased implementation, detailed business cases, financial modelling and appropriate governance routes. This is the recommended option because it provides a coherent programme framework for improving outcomes, strengthening statutory compliance and supporting financial sustainability.
- 5.2 Option 2 is to continue with existing arrangements and progress only limited individual improvements outside a coordinated programme structure. This would reduce immediate change demands but would not address the underlying pressures of rising demand, increasing complexity, workforce capacity and affordability in a systematic way.
- 5.3 Option 3 is to delay decisions until all workstreams are fully scoped. This would provide further detail before implementation but would risk losing momentum on areas already demonstrating benefit and delay action needed to manage demand and cost pressures.
- 5.4 Option 4 is to do nothing and make no further changes to the current Adult Social Care operating model. This is not recommended because it would leave the Council without a coordinated approach to managing rising demand, increasing complexity, workforce pressures and financial sustainability. It would also limit the opportunity to strengthen prevention, earlier intervention, independence and community-based support, increasing the risk that more people enter statutory services at crisis point and require higher-cost long-term care.

6. Key risks and Opportunities

- 6.1 The main risks of this transformation programme relate to capacity to deliver transformation alongside business as usual, recruitment constraints, performance and data limitations, finance capacity for validation and benefits tracking, market quality risks, and the scale and pace required to inform Medium Term Financial Strategy timescales. These risks reinforce the need for strong programme governance, gateway controls and clear escalation routes.

Risk	Mitigation	Link to Strategic Risk
Delivery capacity and pace of change: the scale of transformation, including diagnostic, mobilisation and implementation activity, may exceed available management, operational and project capacity.	Maintain clear programme governance, phased delivery plans, PMO oversight and escalation of dependencies, milestones and risks.	Financial sustainability, service delivery, workforce capacity and statutory compliance.
Financial benefits, savings and investment requirements may not be realised in full, within expected timescales, or may change as diagnostic findings, data and evidence are further validated.	Develop detailed business cases, baseline measures and benefits realisation plans, with regular financial monitoring, diagnostic validation and corrective action where assumptions are not being achieved.	Financial sustainability and value for money.

Workforce capacity and capability may limit progress, particularly where specialist roles are required.	Align workforce planning to programme priorities, target investment at critical roles, provide training and supervision, and phase implementation to available capacity.	Workforce resilience, service quality and statutory duties.
Operational disruption or access barriers during changes to pathways, triage arrangements, digital access routes and service models.	Implement changes through programme governance, maintain clear operational guidance and communications, monitor performance, protect assisted digital and non-digital routes, and retain contingency arrangements where needed.	Service continuity, resident experience and reputational risk.
Stakeholder concern, partnership dependency or reputational risk where proposals change established services, access routes, community support arrangements or financial arrangements.	Use early and transparent engagement, clear communications, co-production where appropriate, partner involvement and formal consultation processes where required.	Community confidence, consultation and reputational risk.
Legal and statutory compliance risk if changes are not aligned to Care Act duties, equality responsibilities, procurement requirements and public law obligations.	Build legal, finance and governance input into programme design, complete appropriate impact assessments and use agreed decision-making routes.	Statutory compliance, governance and assurance.
Provider market pressures, including workforce shortages, provider cost inflation, capacity constraints and limited alternatives, may reduce the availability, affordability or sustainability of local support options.	Maintain active market oversight, strengthen commissioning and provider engagement, develop alternative community-based options, monitor capacity and cost pressures in areas of high demand, and escalate market sustainability risks through governance routes.	Market sustainability, service resilience and value for money

6.2 The programme also creates significant opportunities, including earlier support for residents, improved independence, stronger unpaid carer support, reduced or delayed reliance on formal care, improved market capacity, more transparent financial processes, better data and performance insight, and a stronger evidence base for future investment and savings decisions.

6.3 It will also provide an opportunity to develop this with residents to test models and inform approaches to ensure they meet the needs of people who need to access support at different parts of their care journey.

7. Council Priorities

- 7.1 The proposals support the Council's Corporate Plan priorities by helping people to be healthy, independent and able to thrive at every stage of life. The programme strengthens prevention, early intervention, community support and access to the right help at the right time.
- 7.2 The programme also supports safe and inclusive communities by improving support for people with complex needs, strengthening accommodation and community-based options, and helping more people live independently in the place they call home.
- 7.3 The programme contributes to financial sustainability and value for money by reducing avoidable demand, improving use of commissioned care, strengthening income recovery and targeting specialist capacity where it is most needed. Service transformation is a key facet of the Councils Financial Recovery and Sustainability Strategy.
- 7.4 Overall, the programme supports the Council's future principles by creating a more sustainable, connected and resilient Adult Social Care model.



8. Financial Implications

- 8.1 The Adult Social Care Transformation Programme is being developed in the context of the financial emergency declared in 2025. The programme is intended to achieve financial sustainability through demand management, cost avoidance, improved income recovery, and better control of commissioned care. Adult Social Care has a strong track record of delivering savings, including £17.9 million in 2024/25. This report seeks endorsement of the wider strategic transformation framework, with detailed

investment requirements, savings and cost avoidance estimates to be brought back to Cabinet in March 2027.

- 8.2 It is noted that there is a requirement to earmark up to £4m of transformation funding over the next 3 years in order to support the delivery of this programme. The details of this programme and priorities are still being assessed and will be subject to the outcome of the ASC Diagnostic Review that is due to conclude by January. This allocation will be incorporated within the MTFP to be reported to Cabinet in November.
- 8.3 The completion of the Diagnostic Review will also allow more certainty and profiling of the requirement for investment for the transformation programme. It will also enable some initial projections to be made of future cashable and non cashable savings that can be expected from the programme. Early estimates of cashable savings will be included in the MTFP, subject to the necessary due diligence required to validate them.
- 8.4 As for all parts of the transformation programme, the costs and benefits will be reported within Financial Monitoring Reports to Cabinet and Transformation updates to Scrutiny Finance and Improvement Overview and Scrutiny Committee and the Improvement Board.

9. Legal and HR Implications

- 9.1 The Council has a range of statutory duties in relation to adult social care, principally under the Care Act 2014, together with associated responsibilities relating to safeguarding, equality, human rights, carers, mental capacity and market shaping. The transformation programme is intended to support the delivery of those duties in a financially sustainable manner by promoting prevention, independence, early intervention and the effective use of resources.
- 9.2 Individual projects arising from the programme will need to be progressed in accordance with the Council's Constitution and decision-making framework. As proposals are developed, consideration will need to be given to the Council's duties under the Care Act 2014, Equality Act 2010, Human Rights Act 1998, procurement legislation, information governance requirements and the principles of public law. Appropriate consultation, engagement and impact assessments will also be required where proposals may affect service users, carers, providers or communities. Legal Services will provide advice on an ongoing basis.
- 9.3 The decision to endorse the overall transformation plan is not a key decision in itself, and decisions on individual workstreams within the plan will be taken in accordance with the Council's Constitution as plans crystallise.
- 9.4 HR implications include workforce capacity, recruitment, skills, training, supervision and change management requirements. These will need to be assessed through workforce planning and engagement with HR as individual workstreams are developed.
- 9.5 This will include targeted training and development to support the cultural and practice shift towards earlier intervention, prevention and independence-focused support.

9.6 The programme will require dedicated programme management, finance, performance, data, commissioning and operational input. Recruitment and capacity constraints are identified as risks, and further external support may be needed where specialist diagnostic, delivery or analytical capacity cannot be met from existing resources. Equality impact assessments will be completed where necessary for separate projects as the programme develops.

10. Electoral Division Implications

10.1 The proposals affect Adult Social Care services across Shropshire and are therefore relevant to all electoral divisions.

10.2 No single electoral division is expected to be disproportionately affected at this stage, although specific implementation proposals may require local member engagement. Where changes affect particular local services or communities, equality impact assessments will be undertaken.

11. Health, Social and Economic Implications

11.1 The proposals are expected to have positive health and social care impacts by strengthening prevention, early intervention, independence, reablement and proportionate support. This should help residents remain well at home for longer and reduce avoidable escalation into crisis or long-term care.

11.2 There may be wider economic benefits through improved financial sustainability, better use of care market capacity, effective income recovery and reduced reliance on high-cost commissioned care. The programme should also consider rural access, carers, community assets and equality of access as implementation plans are developed.

11.3 The voluntary, community and social enterprise sector and wider partners will be important to delivery, particularly in strengthening local community assets, supporting early help, improving access to advice and reducing avoidable demand on statutory services.

11.4 The diagnostic review will provide a stronger evidence base for complex care transformation, with deliverables including a validated baseline, diagnostic findings report, case sampling summary, opportunity pipeline, benefits and savings model, three-year roadmap, final presentation and handover pack. This will help ensure future decisions are grounded in evidence, with clear owners, milestones, dependencies, risks, KPIs and decision points.

12. Equality and Diversity Implications

12.1 The Adult Social Care Transformation Programme must be implemented in a way that supports equality of access and outcomes for residents with different needs, circumstances and protected characteristics. Equality, Social Inclusion and Health Impact Assessment activity should be completed where required for individual proposals.

- 12.2 Particular attention should be given to older people, disabled people, carers, people with dementia, people with learning disabilities and autism, people living in rural communities and people who may experience barriers to accessing advice, support or digital services. Mitigations should include accessible communications, proportionate assessment, engagement and monitoring of impacts.
- 12.3 The digital and access elements of the programme must be designed on a digital-by-choice basis. This means improving online access and self-service where appropriate, while protecting phone, assisted digital, community and practitioner-led routes for residents and carers who need additional support. Work with VCSA and other partners should also help reach residents and carers who may experience barriers to access, including people in rural communities, people who are digitally excluded and those who may need trusted community-based routes into advice and support.

13. Climate Change, Biodiversity and Environmental Implications

- 13.1 The proposals are primarily service redesign rather than capital development, so direct climate impacts are expected to be limited. Opportunities exist to support climate ambitions through reduced travel, appropriate use of digital access and greater use of local community provision.
- 13.2 Preventing or delaying the need for care may reduce resource-intensive activity, including travel by care workers and reliance on residential care placements. No significant adverse climate, biodiversity or environmental implications have been identified at this stage, but environmental impacts should continue to be considered as detailed implementation plans are developed.