

## **Community Wellbeing Directorate**

### **2026/27 Budget Position Statement**

Key pressures, challenges and savings proposals for 2026/27

# Community Wellbeing Directorate

## Key Revenue Budget Pressures

- Increasing complexity of need and intensity of care support for adult social care provision
- Demographic changes with the county's ageing population living longer in ill health
- Increasing demand for temporary accommodation
- Impact of high hospital occupancy rates
- Increases in the number of individuals unable to fund their own care linked to inflation and rises in the cost of living
- Market conditions including care provider fee uplifts and care worker's pay

## Key Savings Proposals

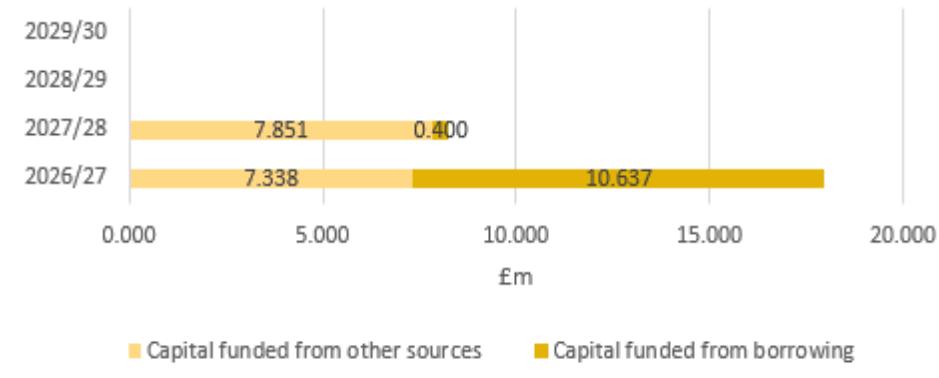
- Control of costs to secure reductions across care contracts
- Increasing income, ensuring fair and timely charges and contributions for services
- Managing demand through increased community engagement and review of care packages
- Delivering efficiencies through increased use of technology and reshaping of services

## Key Capital Projects

- Hereford Museum & Art Gallery
- Hereford Library & Learning Centre
- Strategic Housing Acquisition Fund
- Disabled Facilities Grant

Revenue Budget	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
<b>Opening budget</b>	90,366	89,667	96,000	101,491
<b>Pressures:</b>				
Demographic growth	8,242	2,348	2,348	2,348
Inflation	447	3,567	2,924	2,984
Other pressures	(2,013)	418	219	-
<b>Savings</b>				
Cost control	(4,100)	-	-	-
Increasing income	(1,620)	-	-	-
Managing demand	(455)	-	-	-
Delivering efficiencies	(1,200)	-	-	-
<b>Closing budget</b>	<b>89,667</b>	<b>96,000</b>	<b>101,491</b>	<b>106,823</b>

## Capital Programme



# Community Wellbeing Directorate

## Strategic Priorities

The council's priority is to protect and improve the lives of vulnerable people and to enable residents to live healthy lives within supportive communities. The Community Wellbeing directorate aims to support individuals to live as independently and healthily as possible through investment in prevention, early intervention and the use of technology and to encourage communities to help each other through a network of community hubs.

The directorate mission is to enable diverse, inclusive, vibrant, connected communities where people feel safe, keep well and look out for each other.

## Key Services

- Social care provision and support services for:
  - Older people
  - Adults with learning disabilities
  - Adults with physical disabilities
  - Adults living with mental health illnesses
  - Family carers
- Working with the Voluntary & Community sector to support residents and communities across the county.
- Safeguarding services for vulnerable adults.
- Working with NHS partners to deliver integrated services.
- Public health services.
- Housing provision including homelessness outreach.
- Cultural services, including library services, museums and archives.
- Community development through Talk Community, including advice and guidance for the residents of Herefordshire through Talk Community Directory.

## Key Challenges and Risks to Service Delivery

- Demography: Herefordshire has a higher proportion of residents aged 65 and over, at 27% compared with 19% across England and Wales, and 57% aged 16 to 64, compared with 63% nationally.
- The ageing population leads to increased demand for complex and high-acuity care and support services.
- Providing the right care, to the right people, at the right time and in the right place, is a key challenge. Our transport connectivity issues also have a disproportionate impact on an ageing population living in the rural areas who find it difficult to access services.
- There are long-term inequalities in life expectancy for people in the most deprived areas. Females born in the most deprived areas of Herefordshire could expect to live 3.4 years less than those in the least deprived, while for males, the gap was 5 years. Circulatory, cancers and respiratory are the leading causes for these differences.
- Increasing costs for care contracts, additionality of costs to deliver services to a sparsely populated, rural population result in financial pressures to the Community Wellbeing budget.
- Increased demand for temporary accommodation. A shortage of affordable homes in Herefordshire and increasing demand for temporary accommodation means the council is reliant upon costly bed & breakfast/hotel accommodation to supplement existing supply.

# **Community Wellbeing Directorate**

## **Appendices**

- [\*\*Appendix A: Revenue Budget by Service\*\*](#)
- [\*\*Appendix B: Revenue Budget Movements\*\*](#)
- [\*\*Appendix C: 2026/27 Savings Proposals\*\*](#)
- [\*\*Appendix D: Capital Projects\*\*](#)

## Appendix A: Revenue Budget by Service

Service Description	Net Budget 2025/26 £'000	Gross Budget 2026/27 £'000	Income £'000	Earmarked Reserves £'000	Net Budget 2026/27 £'000	Net Budget 2027/28 £'000	Net Budget 2028/29 £'000	Net Budget 2029/30 £'000
Director and Community Services	2,891	3,308	(521)	(3)	2,784			
Better Care Fund	(13,692)	-	(16,252)	-	(16,252)			
Adult Social Care and Housing	82,015	115,481	(29,834)	(322)	85,325			
All Ages Commissioning	18,220	18,326	(1,467)	-	16,859			
Public Health	932	11,828	(10,718)	(159)	951			
<b>Total</b>	<b>90,366</b>	<b>148,943</b>	<b>(58,792)</b>	<b>(484)</b>	<b>89,667</b>	<b>96,000</b>	<b>101,491</b>	<b>106,823</b>

## Appendix B: Revenue Budget Movements

Title	Detail	2026/27 £'000
Physical Support clients	2025/26 growth	4,747
Physical Support clients	2026/27 growth	1,016
Learning Disabilities clients	2025/26 and 2026/27 growth	1,661
Memory & Cognition clients	2025/26 and 2026/27 growth	620
Transitions from Children and Young People	Growth in clients	337
Mental Health clients	2025/26 and 2026/27 reduction	(139)
Consolidated grants	RSG Settlement	544
Improved Better Care Fund	Additional grant	(1,585)
Better Care Fund	Additional grant	(996)
Pay Inflation	Estimated pay award	447
Miscellaneous	Various	24
<b>Total</b>		<b>6,676</b>

## Appendix C: 2026/27 Savings Proposals £7,375k

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
<b>CONTROL COSTS £4,100k</b>					
C1	<b>Partnership working:</b> increased and robust market engagement to secure cost savings, improved value for money and increased capacity	Negotiation with the market to pilot partnership commissioned provision, in order to secure up to 50% of required capacity across residential, nursing, home care and supported living with long term contracts.	2,500	-	2,500
C2	<b>Voluntary &amp; Community Sector:</b> development of micro-provider market and Voluntary & Community Sector commissioning framework	Develop a commissioning framework for the voluntary and community sector – low entry and open to all council activities with the ability to run mini competitions for specific areas of work. CWB to look to move activity that is non personal care to the VCS market; develop micro provider market in areas where it is difficult to secure agency coverage building on local experience and expertise.	300	-	300
C3	<b>Hoople Community Equipment:</b> remodelling of community equipment contract for delivery of goods and services to achieve increased value for money in 2026/27	Review current operating model following mobilisation of the new contract; develop an equipment framework for preferred suppliers rather than spot purchasing and to secure discount on bulk standard items.	400	-	400
C4	<b>Hoople Learning Disability Service:</b> remodelling of learning disability service using CareCubed to determine and model appropriate fees	Use CareCubed to ensure that the fees are appropriate according to the needs of the residents; review the respite provision in the light of the expansion of Shared Lives.	250	-	250
C5	<b>Shaw Contract:</b> reset of the current contract (contract end date of 2033) to secure services at no additional cost to offset spot purchases	Negotiate with Shaw to secure residential beds within the current contract price, to offset spot purchasing costs.	250	-	250
C6	<b>CareCubed:</b> application of benchmarking tool to support improved negotiations with providers and agree a fair cost of care	Use the CareCubed tool on all packages of care to ensure that the correct price is negotiated and agreed. CareCubed provides an industry standard for care pricing.	400	-	400
<b>INCREASE INCOME £1,620k</b>					
I1	<b>Review charging for self-funders:</b> to establish and promote an enhanced offer for residents in line with neighbouring authorities	Develop an integrated offer for self-funders, including brokering care home placements, for which a charge would be levied in line with neighbouring authorities; work with communications team to create a supporting brochure.	120	-	120
I2	<b>Financial assessments:</b> review to ensure all assessments are conducted efficiently and fairly,	Investment in resource to support financial assessments being completed in a timely way – no charging for care can be made until the assessment is completed.	1,000	-	1,000

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
	enabling contributions to the council to be identified and collected in a timely manner	Backlog of assessments to be cleared initially. Process for undertaking annual reviews to be implemented to ensure that ongoing care contributions are correct.			
I3	<b>Fees and charges:</b> review of fees and charges across the directorate	Review of all fees and charges across the directorate to ensure that they are appropriately uplifted for inflation and alignment with neighbouring authorities.	250	-	250
I4	<b>Direct payment cap changes:</b> to align with other rates	There is currently no cap on direct payments which makes it inequitable with other rates. Review the direct payment ceiling so that it aligns with average residential care costs.	250	-	250
<b>MANAGE DEMAND £455k</b>					
D1	<b>Front door:</b> improvements to self-referral portal including online forms and improved technology enabled communities (TEC) offer	Review the triage and referral process to ensure that appropriate people are being redirected to Community Connectors; develop options for online referral and self assessment; further develop the TEC offer so that TEC is in place prior to any formal referral through to social care.	50	-	50
D2	<b>Review of long-term cases:</b> to ensure right size packages of care	Review packages of care according to an agreed schedule to confirm that they are meeting needs and that all options for TEC have been considered. The initial cohort will be packages of care agreed for people coming out of hospital. Some reviews will result in an increase in care being provided. All reviews will be undertaken on an individual basis, taking a holistic review of the person.	405	-	405
<b>DELIVER EFFICIENCIES £1,200k</b>					
E1	<b>Magic Notes:</b> implementation of software to support social worker assessments	Magic Notes is an AI tool that the council piloted during 2025. It captures the discussions that the social worker has with a resident, populating an assessment template. It is the responsibility then of the social worker to review and amend the assessment prior to finalising. Feedback from the pilot was very positive with workers reporting that they could concentrate on the discussions without having to type into their laptops at the same time. There will be a resource saving as a result of full implementation.	400	400	-
E2	<b>Maximise existing Copilot functionality:</b> to support non-social work staff, enabling improved contract management and administration	Copilot is an AI tool that is part of the M365 IT setup for every member of staff. Through prompts, it searches documents, emails and files to create content,	200	200	-

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
		summarise information and automate tasks. There will be a resource saving as a result of full implementation			
E3	<b>Culture, Museum, Libraries reshape:</b> to deliver service efficiencies	Review the structure of the combined service to identify opportunities for efficiency; implement digital and process improvements, eg self service in libraries.	100	-	100
E4	<b>Talk Community reshape:</b> to deliver service efficiencies	Review the structure of the service to identify opportunities for efficiency, including consultation on removing posts, maintaining focus on prevention.	250	-	250
E5	<b>Vacancy management:</b> deletion of vacant posts across Directorate	Six vacant posts have been identified in the establishment and have been deleted	250	250	-
			7,375	850	6,525

## Appendix D: Capital Projects 2026/27 to 2029/30

Project	2026/27		2027/28		2028/29		2029/30	
	Total £'000	Funded by borrowing £'000						
Disabled Facilities Grant	2,200	-	2,200	-	-	-	-	-
Empty Property Investment & Development	286	286	-	-	-	-	-	-
Acquisition Fund for Housing Provision	2,300	2,300	-	-	-	-	-	-
Merton Meadow - Brownfield Land Release Fund*	-	-	-	-	-	-	-	-
Swimming Pool Support Fund*	-	-	-	-	-	-	-	-
Libraries Improvement Fund*	-	-	-	-	-	-	-	-
Hereford Museum & Art Gallery Redevelopment	10,525	8,051	5,581	400	-	-	-	-
Library & Learning Centre relocation to Shirehall	2,064	-	450	-	-	-	-	-
Community Capital Grants Scheme	600	-	20	-	-	-	-	-
<b>Total</b>	<b>17,975</b>	<b>10,637</b>	<b>8,251</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Spend in prior years