



1st October 2012

Agenda Item: 6

**REPORT OF THE SERVICE DIRECTOR FOR JOINT COMMISSIONING,
QUALITY AND BUSINESS CHANGE**

**OVERVIEW OF ADULT SOCIAL CARE AND HEALTH SAVINGS AND
EFFICIENCIES PROGRAMME**

Purpose of the Report

1. This report is for information purposes and updates on the progress of the Adult Social Care, Health and Public Protection (ASCH&PP) department's four year Savings and Efficiencies Programme (2011/12 to 2014/15) as at the mid year point of Year 2 (2012/13). It compares the department's actual savings achieved for the year to date against its savings target. It also outlines the remaining targets to be met by the department in the future years of delivery.
2. The information outlined in this report covers projects delivered under the remit of the Adult Social Care and Health Committee only. A separate update is being provided to the Community Safety Committee on those projects coming under the remit of Public Protection.

Information and Advice

3. The budget approved by the County Council on 24th February 2011 required the ASCH&PP department to make savings and efficiencies totalling £63.827 million for the period 2011/12 to 2014/15. Over £27 million of these were to be delivered in the 2011/12 financial year, through delivery of projects spanning across both the Adult Social Care and Health and the Community Safety committees.
4. At the February 2012 County Council budget meeting the total savings target for the department was increased to £65 million over the four years of the programme, with the delivery of a further 8 projects.
5. There are currently 41 savings and efficiency projects being delivered by the department, 38 that fall within the remit of the Adult Social Care and Health committee. In addition, a new project has just been established, in order to improve the department's understanding of trends in income it receives, and factors which cause or contribute to significant fluctuations in income levels. The new project has no savings target assigned to it, but it will enable the department to more accurately monitor its income budget.
6. As previously reported at the 11th June Committee, the department achieved £24.241 million of its £25.929 million savings target for Year 1 (2011/12), which represented 93% of the target across all of the ASCH projects (i.e. excluding Public Protection targets).

7. As at the end of July 2012, the department has already achieved £18.412 million (79%) of its Year 2 (2012/13) savings target of £23.164 million (once again, excluding Public Protection figures), although some of this includes delivery of savings slippage from 2011/12.
8. The strong performance to date is due to a number of factors, including:
 - a. A number of projects delivering some of their Year 2 (2012/13) savings ahead of schedule during 2011/12.
 - b. The full year effect of savings where activity started to generate savings part way through 2011/12.
 - c. Similarly, some of the projects completed all of their implementation activity during 2011/12, putting in place mechanisms ready for achieving savings during 2012/13.
 - d. The receipt of additional income as a result of changes to government policy and the introduction of the authority's Fairer Contributions Policy¹. £1.5m of this was built into the 2012/13 budget as an additional budget saving, but it is anticipated that further savings will be achieved from this.

Current Exceptions

9. Of the 42 current projects, there are:
 - a. 11 high governance projects (i.e. projects with total savings values of more than £1 million and / or high risk / high complexity), all within ASC&H,
 - b. 31 low governance projects (i.e. projects with total savings values of less than £1 million and / or low risk / low complexity). Of these 31, 28 come under the remit of ASC&H and 3 under the remit of Public Protection.
10. The 11 high governance projects are listed in **Appendix A**:
 - a. Eight are currently 'on target' to achieve their Year 2 (2012/13) savings targets.
 - b. One has already been fully completed (*Sale of Residential Care Homes*), and achieved all target savings.
 - c. Two are currently reporting exceptions:
 - Sherwood Industries – good progress is being made to relocate the ten staff members remaining in supernumerary placements at different work bases across the County Council (out of a total of 43 staff formerly employed at Sherwood Industries). However, in the meantime this impacts on project savings. The additional staffing costs that result from this are being managed from within the service's original base budget, and will not cause any operating overspend.

¹ The amount a person has to contribute towards their care according to their ability to pay.

- The Alternatives to Residential Care project has been replaced by a re-scoped Living At Home Programme launched in September. Building on the lessons learned during Year 1 of delivery, the new programme will shift emphasis to preventative measures to support people to live in their own homes and retain independence.

11. These projects will continue to be scrutinised monthly by the Department's Transformation Board (formerly the Business Improvement Board), chaired by the Corporate Director for ASCH&PP and attended by all of the department's Service Directors. In addition, they will also be managed via monthly project boards, established to oversee delivery of each of the high governance projects.

12. Of the 28 low governance projects falling within ASC&H:

- 13 have already been completed, either fully or tasks / savings for 2012/13 have been delivered.
- 11 are currently 'on target' to achieve their Year 2 (2012/13) savings targets.
- 3 are currently 'experiencing obstacles', which once again is causing slippage of some of their 2012/13 savings into 2013/14.
- 1 Project (Adult Care Financial Services) requires further work to identify how a savings gap of £50,000 will be achieved.

13. Low governance projects will continue to be scrutinised monthly by the Savings & Efficiency Board, established to oversee delivery of all ASCH&PP projects, chaired by the Service Director responsible for delivery of the department's savings and efficiencies programme. Any exceptions will be reported to the department's Transformation Board.

Review of 2012/13 Achievement

14. Moving forward, the department will continue to deliver the remaining savings target for 2012/13, whilst planning ahead for delivery of the remaining two years of the programme (£10,974 million target for 2013/14 and £3.328 million target for 2014/15).

Other Options Considered

15. The department's Transformation Board has commenced work to determine where further savings and efficiencies can be delivered from 2014/15 and beyond.

Reason/s for Recommendation/s

16. Since the completion of the service reviews in 2010/11 across the Council, and during the implementation of the 2011/12 savings and efficiencies projects, the department, through its monthly Business Improvement Board (now Transformation Board), has continued to scrutinise the way in which services are arranged and delivered, with a view to identifying further opportunities for achieving efficiencies and improving services. Examples include maximising opportunities from funding received from the Department of Health to help people to regain and/or maintain their independence through the extension of reablement services,

or exploring and developing strategies to encourage micro-providers within the community to set up and provide low level community-based activities and services.

Statutory and Policy Implications

17. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

1) It is recommended that the report be noted.

CAROLINE BARIA

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For any enquiries about this report please contact:

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Constitutional Comments

18. Because this report is for noting only, no Constitutional comments are required.

Financial Comments (RWK 12/09/2012)

19. There are no additional financial implications arising from the report.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- 24th February 2011 County Council – Budget meeting. The budget report can be found at: [11-12 Budget Report](#)
- 23rd February 2012 County Council – Budget meeting. The budget report can be found at: [12-13 Budget Report](#)

Electoral Division(s) and Member(s) Affected

All.

ASCH49