



6 February 2017

Agenda Item: 7

**REPORT OF THE PROGRAMME DIRECTOR OF TRANSFORMATION,
ADULT SOCIAL CARE, HEALTH AND PUBLIC PROTECTION**

SAVINGS AND EFFICIENCIES UPDATE

Purpose of the Report

1. To update the Committee on progress with budget savings projects being delivered by the Adult Social Care, Health and Public Protection (ASCH&PP) department over the period 2016/17 to 2019/20.
2. To inform the Committee of changes / clarifications relating to three savings projects, approved at previous Committees during 2016/17, which will deliver savings from April 2017.
3. To update the Committee on the progress of the Adults Portfolio of Redefining Your Council.

Information and Advice

ASCH&PP Department’s Savings and Efficiency Programme 2016/17 to 2019/20

4. The ASCH&PP department has already delivered efficiency savings of £67m over the period 2011/12 to 2015/16 through the delivery of savings and efficiency projects relating to Adult Social Care (excluding Public Protection savings).
5. This report updates Committee on progress, as at Period 8 2016/17, with the 35 remaining projects falling under the remit of the Adult Social Care and Health (ASCH) Committee, approved by Full Council on 27 February 2014, 26 February 2015 and 25 February 2016. Please refer to **Appendices 1 and 2**. In total, the savings profile associated with these projects is as follows:

2016/17	2017/18	2018/19	2019/20	Total
£12.224m	£5.591m	£7.034m	£0.294m	£25.143m

6. Please note that this report excludes progress on the savings projects falling under the remit of the Community Safety Committee, Public Health Committee, and the Business Support Services Review (ASCH&PP and Children, Families & Cultural Services) project, which falls under the remit of the Personnel Committee.

7. The overall departmental position in terms of agreed budget savings, including savings at risk, is contained within the body of the financial monitoring report that is regularly considered by Finance and Property Committee, and its associated appendix. Any change requests approved to amend projects' savings targets and / or their profile of savings are also reported to Finance and Property Committee (see background papers).
8. As Members are aware, each project is RAG (Red; Amber; Green) rated as defined in the status key within **Appendix 1**. Based on good practice from elsewhere, the County Council uses an 'experiencing obstacles' (yellow) category. This gives project managers a chance to highlight that aspects of a project are 'off target' without this necessarily meaning that there will be a resultant risk to overall savings delivery (e.g. some slippage in tasks within the plan etc.). In effect, the 'experiencing obstacles' category provides an early warning that action needs to be taken to rectify a problem and / or stop a position worsening so the project becomes 'at risk.' However, at this stage the scale of the issue, and any potential savings at risk, may be unknown and further work is required to ascertain this.
9. One example is the *Further Expansion of Assistive Technology (AT) to Promote Independence* project. As shown in **Appendix 1**, as at November 2016 the project was reporting an *Experiencing Obstacles* status as although the Project Manager is projecting that the savings target of £0.646m would be achieved by the end of March 2017, this is reliant on validation of the first eight months of the project's delivery by Finance, which is expected early in the New Year and anticipated to confirm that the savings are all on target. AT activity is 35% up on the same period last year, and supporting approximately 800 new service users per annum.
10. The current RAG rating of the 35 remaining projects as at Period 8 2016/17, and the breakdown of the remaining savings targets assigned to them, are provided in **Appendix 1**. This also shows any projects reporting exceptions and savings at risk of either slippage into future financial years and / or at risk of non-delivery. Further work has been done, where possible, to quantify any savings at risk of slippage of non-delivery since Period 8 information was presented in **Appendix 1**, and the following (supported by detail in **Appendix 2**) provides a summary of the current position with regard to the achievement of the £12.224m 2016/17 savings target:
 - a) £3.862m savings (32%) will be realised by year end, from projects already completed / closed. Of this, £0.145m has been achieved in an alternative way.
 - b) £7.271m savings (59.5%) are on target to be achieved by year end.
 - c) £0.750m savings (6%) are currently quantified as being anticipated to slip into future years.
 - d) £0.281m savings (2%) are currently quantified as at risk of non-delivery for 2016/17.
 - e) £0.060m savings (0.5%) are not yet quantified as to the elements that are on target or likely to slip into 2017/18. Once quantified, the breakdown will be reported.

In addition:

- a) Of the £0.466m savings that were not achieved during 2015/16 and carried forward to 2016/17, £0.079m will be made up by March 2017 through over-achievement against the *Reduction in Long-Term Care Placements* project. However, the remaining £0.387m is at risk of non-delivery by March 2017.

b) There is an over-achievement of £0.450m savings projected against the *Targeted Reviews* and a one-off over-achievement of £0.600m savings against the *Direct Payment* project. The *Targeted Review* project is reviewing the profiling of future years' savings, in view of performance to date.

11. Within a portfolio(s) of programmes and projects of the scale of that being undertaken by the Department, it is to be expected that some projects will have delivery issues, which ultimately may result in failure to meet some or all of the savings. This is particularly the case where change has been overlaid on change and where projects are more transformational. For those projects reporting exceptions in **Appendix 1**, further detail on the reasons for these, and mitigating action in place to manage these, is provided in **Appendix 2**.

Changes / Clarifications Relating to New Savings Projects

12. The Committee is also asked to note the following changes / clarifications relating to three new savings projects that will deliver additional savings to the ASCH&PP department from April 2017, which have been approved at previous Committee meetings during 2016/17:

Project	Committee Approval	Change / Clarification
KeyRing Services	October 2016 ASCH Committee	To be renamed Community Living Network.
Maximise the income available to the Council's directly provided adult social care services	October 2016 ASCH Committee	No savings figure specified in the original committee report. Profiled savings of £0.060m in 2017/18 and £0.070m in 2018/19 (total of £0.130m) have been assigned to the project. ASCH Committee previously approved the establishment of a Business Development Manager post to take forward the savings proposal. However, subsequent to this, the November 2016 Policy Committee approved a recommendation to continue the commercial development support to services for the next two years, which in effect meant that service areas should not employ their own commercial resources but should instead utilise the support of the Commercial Development Unit. Although this will not provide the service with any additional capacity, Direct Services will endeavour to meet the savings target within existing resources. A separate report on this is also on the agenda of today's Committee meeting.
START scheduling service user visits	May 2016 Policy Committee (as part of a wider report on the Smarter Working	No savings figure specified in the original committee report. Profiled savings of £0.006m in 2017/18 and £0.033m in 2018/19 (total of £0.039m) have been assigned to the project.

Adults Transformation Portfolio Update

13. A quarterly update on key achievements for the five programmes that comprise the Adults Portfolio of Redefining Your Council is contained in **Appendix 3**. The Portfolio is reporting good progress in achieving key outcomes and benefits required from the programme. The update also provides a forward view for the next three months. Policy Committee also receives quarterly reports on progress against the Council's Strategic Plan and Redefining Your Council. This report was last presented at the meeting on 14th December 2016.

Other Options Considered

14. There are no other options to outline in relation to this report as it updates Committee on existing budget saving projects currently being delivered by the ASCH&PP Department, informs Committee of changes / clarifications relating to additional projects approved at previous Committee meetings during 2016/17, and reports progress of the Adults Portfolio of Redefining Your Council.

Reason/s for Recommendation/s

15. To continue to support delivery of the Adults Transformation Portfolio, including the savings and efficiency programme.

Statutory and Policy Implications

16. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

17. Progress in achieving the 2016/17 to 2019/20 savings targets for each existing project is detailed in **Appendices 1 and 2**.

Public Sector Equality Duty implications

18. The equality implications of the projects have been considered during the development of the projects and, where required, Equality Impact Assessments undertaken.

Implications for Service Users

19. As above, the implications of the projects on service users have been considered during the development of the projects.

RECOMMENDATION/S

That the Committee:

- 1) notes the progress with budget saving projects being delivered by the Adult Social Care, Health and Public Protection department over the period 2016/17 to 2019/20, as detailed in **Appendices 1 and 2**.
- 2) notes the changes / clarifications relating to three savings projects, approved at previous Committees, which will deliver savings from April 2017, as outlined in **paragraph 12**.
- 3) notes the key achievements of the Adults Portfolio of Redefining Your Council, as outlined in **Appendix 3**.

Jane North
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Constitutional Comments

20. As this report is for noting only, no Constitutional Comments are required.

Financial Comments (KAS 20/01/17)

21. The financial implications are contained within paragraph 17 and Appendix 1 of the report.

Background Papers and Published Documents

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.

- Report Policy Committee, 13 November 2013: Savings Proposals 2014/15 – 2016/17 and associated published Outline Business Cases and Equality Impact Assessments.
- Report to Full Council, 27 February 2014: *Annual Budget 2014/15* and associated published Outline Business Cases and Equality Impact Assessments.
- Report to Adult Social Care and Health Committee, 12 May 2014: *Overview of Savings Projects to be delivered 2014/15 to 2016/17 by the Adult Social Care and Health Department*.

- Report to Adult Social Care and Health Committee, 3 November 2014: *Overview of Departmental Savings and Efficiencies Programme.*
- Report to Policy Committee, 12 November 2014: *Redefining Your Council: Transformation and Spending Proposals 2015/16 – 2017/18.*
- Report to Finance and Property Committee, 19 January 2015: *Financial Monitoring Report: Period 08 2014/15* and Appendix.
- Report to Full Council, 26 February 2015: *Annual Budget Report 2015/16* and associated published Options for Change and Equality Impact Assessments.
- Report to Adult Social Care and Health Committee, 30 March 2015: *Transformation Resource – Overview of Departmental Requirements.*
- Report to Adult Social Care and Health Committee, 1 June 2015: *Overview of Departmental Savings and Efficiencies Programme – Adult Social Care, Health and Public Protection.*
- Report to Finance and Property Committee, 14 September 2015: *Financial Monitoring Report – Period 4 2015/2016.*
- Report to Adult Social Care and Health Committee, 2 November 2015: *Departmental Savings and Efficiencies Programme – Adult Social Care and Health.*
- Report to Policy Committee, 9 December 2015: *Spending Proposals 2016/17 – 2018/19.*
- Report to Full Council, 25 February 2016: *Annual Budget 2016/17* and associated published Outline Business Cases and Equality Impact Assessments.
- Report to Adult Social Care and Health Committee, 7 March 2016: *Departmental Savings and Efficiencies Programme – Adult Social Care and Health.*
- Report to Policy Committee, 18 May 2016: *Smarter Working Programme.*
- Report to Adult Social Care and Health Committee, 13 June 2016: *Update on the Transformation Portfolio.*
- Report to Finance and Property Committee, 18 July 2016: *Financial Monitoring Report: Period 2 2016/2017.*
- Report to Adult Social Care and Health Committee, 10 October 2016. *Development of KeyRing Services.*
- Report to Adult Social Care and Health Committee, 10 October 2016. *Savings and Efficiencies Update and Proposal to Maximise the Income Available to the Council's Directly Provided Adult Social Care Services.*
- Report to Policy Committee, 19 October 2016: *Supported Housing – Risks to Existing Services and New Developments.*
- Report to Policy Committee, 16 November 2016: *Commercial Development Unit.*

Electoral Division(s) and Member(s) Affected

All.

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