



25 June 2018

Agenda Item: 7

**REPORT OF TRANSFORMATION DIRECTOR, ADULT SOCIAL CARE AND
PUBLIC HEALTH & SERVICE DIRECTOR FINANCE, PROCUREMENT &
IMPROVEMENT**

MONITORING OF SAVINGS IN ADULT SOCIAL CARE

Purpose of the Report

1. The purpose of this report is to seek approval for an amended approach to monitoring savings across Adult Social Care.

Information

2. On 12th March, Adult Social Care and Public Health Committee approved a new programme of change across Adult Social Care to deliver savings of £17.831 million between 2018/19 and 2020/21.
3. The new change programme will have 3 main programmes of work which all of the existing and newly approved savings projects within ASCH will be contained within. They are:
 - a. **Early Resolution activity** which will generate savings of £1.31 m
 - b. **Promoting Independence Interventions** which will generate savings of £12.676 m and will focus on:
 - Short term interventions, such as reablement and better use of short term care provision, and interventions for adults aged 65+, which will include promoting best practice in support planning, and ensuring consistency across operational teams working with adults aged 65+.
 - Interventions for adults aged 18-64, such as promoting independence in current settings (e.g. residential care and supported living), promoting best practice in support planning, ensuring consistency across operational teams working with adults aged 18-64, moving suitable individuals out of residential care and into supported living; and in turn moving appropriate individuals out of supported living into other suitable alternatives.
 - Cross cutting interventions, such as targeted reviews, reducing the cost of direct payments, better use of Assistive Technology, the application of the Adult Social Care Strategy, and income generating projects
 - c. **Commissioning activity** including better use of Direct Services, which will generate savings of £3.838m.

The amended approach to monitoring savings

4. The approach that has traditionally been taken to monitoring savings is to look at individual projects as single entities. The amended approach is to monitor savings at a programme level under the programme groupings identified in **paragraph 3**.
5. This brings the monitoring of savings in line with the structure of the change programme designed by Adult Social Care, in accordance with the advice received from the external savings partner Newton Europe. This takes a more streamlined approach to grouping projects together under programmes where the following conditions are met:
 - Where they affect the same groups of service users.
 - Require changes to the same service areas or teams.
 - Where there is a clear link between the impacts of delivering one project on another.
 - The savings are derived from the same budget.
6. This change in approach also adopts Newton Europe's advice that in order to support continued savings, a greater emphasis on performance management and continuous improvement at all levels of the department would be required, which would mean a new approach to monitoring savings.
7. Their advice was that, in order to make savings more meaningful and achievable for individuals and teams, key activities should be monitored at project level and keep the focus on cashable savings at a programme level.
8. This programme approach is also proposed in response to the scale and complexity of the challenge, in order to manage the increased number of areas of interdependencies between projects.

Assurance of project status

9. Whilst there is a clear rationale to move to a programme approach, there will still be an ongoing requirement to track, understand and report on the current position within individual projects.
10. Under the proposed programme level approach, individual projects would still have their own activity measures against which progress can be assessed. Where projects already have established mechanisms and methodologies for capturing and reporting savings, these would continue to be used. Where these do not exist, savings would be calculated by setting measures that have a pre-agreed average saving per unit, so that if these are achieved, the savings will follow. Periodic sampling and review of the assumptions underpinning the unit savings would take place, to ensure they continue to be valid
11. The level of scrutiny applied to projects will not be reduced. Instead, there will be an improved focus on monitoring the impact of the project activity on contributing to the cashable savings at a programme level. These project activities measures will be validated by Finance colleagues so that assurances can be given that the right activities are being measured. This will then resolve the growing issue of interdependencies between projects and the work required to unpick this.
12. The new approach will demonstrate:

- If the change programme and each project within it is on track to deliver successfully.
 - If it is the project (or something else) that is delivering the change.
 - If the objectives and outcomes are achieving more than the cost of delivering the activity.
13. Reporting arrangements will remain unchanged and Adult Social Care will continue to submit monthly project highlight reports to the Corporate Programme Management Office, to inform status update reports to the Improvement and Change Committee and the Council Leadership team.
14. It is proposed that both the existing and the new proposed monitoring of savings would initially run concurrently, until there is complete assurance that the new approach is appropriate.
15. An example of the new proposed monitoring and reporting summary for savings and efficiencies across Adults is attached at **Appendix A**, as draft to serve as an illustration for future reports.

Other Options Considered

16. Continuing with the existing monitoring arrangement was considered but, as outlined in the body of the report, was considered inappropriate going forward.

Reason/s for Recommendation/s

17. To efficiently and effectively monitor the achievement of savings across Adult Social Care between 2018/19 and 2020/21.

Statutory and Policy Implications

18. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, 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, smarter working, sustainability and the environment 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. That committee consider and approve an amended approach to monitoring savings across Adult Social Care.

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Constitutional Comments (CEH 14/06/18)

19. The recommendation falls within the delegation to the Improvement and Change Sub-Committee under its terms of reference.

Financial Comments (SES 13/06/18)

20. The financial implications are set out in paragraph 3 of this 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.

- [ASSESSMENT AND ADVICE PROVIDED BY EXTERNAL SAVINGS PARTNER](#) – March 2018 ASCH+PH Committee Report
- [ASSESSMENT AND ADVICE PROVIDED BY EXTERNAL SAVINGS PARTNER APPENDIX](#) – March 2018 ASC&PH Committee Report Appendix

Electoral Division(s) and Member(s) Affected

- All