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Overview and Scrutiny  
Town Hall  
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Dear Member

**HEALTH SCRUTINY BOARD - THURSDAY, 19 JULY 2012**

I am now able to enclose, for consideration at the Health Scrutiny Board to be held on Thursday, 19 July 2012, the following reports that were unavailable when the agenda was printed.

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7.	<b>Cost Improvement Plan</b>	(Pages 22 - 24)

Yours sincerely

Kate Spencer  
Overview and Scrutiny Lead

# Agenda Item 7



Title: **Council Cost Savings Programme - Briefing**

To: **Health Scrutiny Board** On: **19<sup>th</sup> July, 2012**

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## • Key points and Summary

- This paper provides an update of the cost improvement programme deployed by Torbay and Southern Devon Health and Care Trust for 2012/13 as commissioned by Torbay Council for adult social care.
- **Overview** – the Trust has identified Adult Social Care (ASC) cost savings programmes totalling £3.2 million in the following areas.
  - In House Learning Disabilities (LD) - Targeted savings of £200,000
  - ASC Independent Sector – Targeted savings of £3.0 million

The Trust has committed to achieve these savings and has specific programs and a governance process in place to monitor delivery of these savings.

The Trust has also committed to reduce its internal overheads within its integrated health and social care related schemes (not shown) and specifically a £500,000 efficiencies target. The £500,000 back office savings have been met through staff reductions in the back office.

- **Schemes** – saving schemes are outlined below, these have previously been discussed informally at the Adults Policy Development Group and are reflected in the Annual Strategic Agreement.

Savings Area	Overview / Description of Scheme	Savings £(000)	Start Date	RAG Rating
LD Day Services	Review of Day Services and re-focussing of what is provided by the Care Trust, with a view to reduction of the number of facilities and services provided in-house (from 3 to 2	£200	April start – on track	A

	facilities)			
<b>Savings Area</b>	<b>Overview / Description of Scheme</b>	<b>Savings £(000)</b>	<b>Start Date</b>	<b>RAG Rating</b>
Residential & Nursing Homes -- Preserved Rights clients	Running down / attrition of Preserved Rights Clients (Target 12 clients)	£200	April start – on track	G
Renegotiation of Tier 1 & Tier 2 Rates 2012/13	Negotiations complete - rates and timings agreed	£125	Complete	G
Fairer Charging Policy (Dom & Day Care)	Introduce national charging policies. Complete reviews of over-policy clients and reassess in line with latest needs and national guidelines	£50	May start – reviews on track	A
LD high-cost clients	Identify and review higher cost care packages to reassess needs and seek opportunities for most economical solutions	£250	April start – on track	G
LD clients with multiple services	Review clients in receipt of multiple care packages and rationalise in line with needs assessments to avoid multiple provision	£110	Plans delivering £70k	A
LD – Reconfigure services	Reconfiguration of LD services including adherence to the Choice, Cost and Risk Policy	£225	April start – on track	G
Mental Health (MH) - Care homes placements for under 65 years	Mental Health (MH) clients - seek to reduce reliance on care homes placements - transition 6 clients to home based services (delivery through DPT)	£200	Plans not delivering – under review	R
Res.Home Placements	Reduction in residential placements – continue trend to more home based services	£200	April start – on track	G
Nursing Home Placements	Reduction in nursing placements - trend to more home based services	£30	Complete	G
Domiciliary Care clients – care packages reviews	Structured programme of reviews to re-assess service provision including training and seeking opportunities to intensively re-able clients. Targets deployed to zone (operating teams) level.	£1,000	Plans not complete / ramp-up under way.	R
Domiciliary Care – resource allocation system (RAS) compliance	Compliance reviews of over RAS service provision – includes training and ensuring that that clients packages comply fully with RAS and Choice, Cost and Risk Policy. Targets deployed to zone level.	£355	Plans not complete / ramp-up under way.	R

Other Reviews - Respite care programme	Minimisation of respite and short break stays over and above the RAS	£75	April start – on track	G
ASC Target - Fees Offset	Stretch target assigned to Trust to offset known additional Fees increases	£180	To be developed	R

- **Programme Opportunities and Risks.** The Trust has in-place programme management and monitoring controls to oversee the delivery of the schemes and take appropriate contingency actions where underperformance against commitment is identified.
  - Red schemes above are being reviewed, including mitigation actions to ensure the Trust's full year target commitments are met in order to bring the overall expenditure for adult social care in on budget by the year end.
- Additional opportunities for 2012/13 and forward years are being explored through recently introduced joint service reviews between the Council and the Trust.

Caroline Taylor  
Director of Adult Services and Resource