

Decision Maker: Care Services Policy Development and Scrutiny Committee

Date: 11th November 2014

Decision Type: Non-Urgent Non-Executive Non-Key

Title: Update on the ECHS Invest to Save Projects

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Ward: Boroughwide

1. Reason for report

1.1 This report provides an update on four of the Education, Care and Health Services Department's Invest to Save/ Contain initiatives:

- (i) Dementia
- (ii) PDSI
- (iii) Children's Social Care
- (iv) Bellegrove - Temporary Accommodation (TA)

2. **RECOMMENDATION(S)**

2.1 Members of the Care Services PDS committee are asked to note the progress made in each of the schemes.

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Supporting Independence
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Financial

1. Cost of proposal: n/a
 2. Ongoing costs: n/a
 3. Budget head/performance centre: various
 4. Total current budget for this head: £455k in 2014/15
 5. Source of funding: Grant and core funding
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Staff

1. Number of staff (current and additional):
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Not applicable
 2. Call-in: Not applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 Between 2011/12 and 2013/14 the ECHS Department entered into seven invest to save/contain initiatives. This report provides an update on four of the initiatives:
- (i) Dementia
 - (ii) PDSI
 - (iii) Children's Social Care
 - (iv) Bellegrove (TA)
- 3.2 The older peoples day time opportunities initiative is included separately on this agenda. Members will see that this scheme has been very successful. The LD preparing for adulthood and travel training initiatives have recently been reported to the Education PDS and Executive in July 2014. Again, these were seen as very successful.
- 3.3 Agreement for these initiatives are included in a number of reports to the Executive listed at the end of this report. Progress on how the funding outlined has been used is detailed in the following sections.

INVEST TO SAVE SCHEMES - BUDGET ALLOCATED

ORIGINAL ALLOCATIONS

	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000	Total £'000
Dementia	250	184			434
PD	279	257			536
Housing - Bellgrove			400		400
Children's Social Care		51	18	24	93
	529	492	418	24	1,463

ACTUAL EXPENDITURE

	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 Estimate £'000	Total £'000
Dementia	0	107	96	131	334
PD	0	16	35	124	175
Housing - Bellgrove	0	0	443	49	492
Children's Social Care	0	33	18	24	75
	0	156	592	328	1,076

3.4 Dementia (invest to save)

- 3.4.1 In September 2011 £434k was agreed by Executive across two years (from the former PCT NHS funds) to alleviate future budget pressures in older peoples services. Four workstreams were identified including the piloting of new models of home support, enhancing the capacity and skills of paid carers working within ECH and residential homes to support people with dementia and better coordination of health and social care support via a virtual multi-disciplinary team.
- 3.4.2 It is estimated that by the end of 2014/15 the four workstreams would have spent £334k. This includes the secondment of a senior care manager (SCM) to lead the co-ordination work across health and social care. Case tracking commenced in late 2012 of 18 individuals to improve the dementia care pathway, and where appropriate reducing costs through avoiding residential placements. A further 14 cases began being tracked in 2014. Intensive training programmes for extra care housing staff and care managers were commissioned from Bromley Mind. In the first year the focus was on training in extra care schemes and in the

second year included care management. Bromley Mind provided 28 workshops in year 2 reaching 124 participants. In addition, Oxleas NHS Foundation trust were commissioned jointly with the CCG to provide support to care homes. To date, Oxleas have worked with 20 care homes providing over 100 training sessions and working directly with more than 120 individual residents with dementia. The new models of support were not explored and the virtual MDT were delivered through existing budgets.

- 3.4.3 The cumulative savings to date over the past three years is projected to be £522k which have been achieved through cost avoidance. This is a full year equivalent of £237k. The projected full year equivalent savings from the original business case was £515k (see table below). Although expenditure is £100k under the target, overall the invest to save is currently £278k short of the savings target in the business case.

Dementia

	One off expenditure				Savings			
	Year 1	Year 2	Year 3	Total	Year 1	Year 2	Year 3	Total
Business Case	250	184	-	434	127	515	515	1,157
Actual	107	96	131	334	65	220	237	522
				- 100			278	

- 3.4.4 Learning from this initiative showed that success is dependent on being able to recruit the appropriately skilled staff, this project stalled twice due to recruitment issues. Operational issues within a commissioned service (ECH RC) has also meant that time has been diverted to from key partners which has delayed progress.

- 3.4.5 During 2014/15 £231k has been carried forward to continue this initiative. Work is being undertaken to develop the dementia strategy with key partners across all sectors. The Health and Wellbeing board have convened a sub group to prioritise dementia. The SCM continues to work with the virtual MDT and to track 24 cases, to continue to reduce costs. Oxleas are continuing to work with a further 10 care homes and additional training courses from Bromley Mind have been commissioned.

3.5 PDSI (invest to save)

- 3.5.1 In October 2011 £536k was agreed by Executive across two years (from the former PCT NHS funds) to alleviate future budget pressures. The purpose of this initiative was to review and where appropriate re-provide high cost care packages to ensure they are more cost effective and develop alternative support models for new service users. The proposal also included project management investment to oversee the projects.

- 3.5.2 To date £175k of the original funding has been spent this included commissioning an external provider in 2012/13 to review the 51 high cost care packages identified in the original business case. Appointment of a seconded project lead to take forward care packages where changes were identified. In addition additional capacity was provided to improve the DFG process.

- 3.5.3 The cumulative savings over the last three years is projected to be £100k. This is a full year equivalent of £66k. The projected full year equivalent savings from the original business case

was £345k (see table below). Although expenditure is £485k under the target and £285k has been returned as it is not being used, overall the invest to save is currently £279k short of the savings target in the business case.

PDSI

	One off expenditure				Savings			
	Year 1	Year 2	Year 3	Total	Year 1	Year 2	Year 3	Total
Business Case	279	257	-	536	150	345	345	840
Actual	16	35	124	175	-	34	66	100
				<u>- 361</u>			<u>279</u>	

3.5.4 Out of the original 51 cases, 21 cases were identified for potential savings. Of these nine cases had no changes, four cases had a reduced care package, six more have alternative provision identified (yet to be changed) one could also be eligible for NHS funding and two further cases awaiting the outcome of the NHS assessment. At this time the DFG element of the initiative is under evaluation to calculate savings and wider outcomes.

3.5.5 During 2014/15, £200k has been carried forward to continue this initiative. Work continues to review packages to reduce costs, explore alternative housing/ support models.

3.6 Children’s Social Care (invest to contain)

3.6.1 The Children's Social Care 'Invest to Contain' funding of £51,000 in 2012/13, £18,000 in 2013/14, and £23,000 in 2014/15 was agreed by the Executive in June 2012 as part of a Children's Social Care initiative to contain the placement budget projected overspend which had increased year on year and was estimated to reach £1.3 million by 2016/17

3.6.2 The money was used to temporarily increase capacity within the Fostering, Adoption and Legal Services Teams in order to assess and recruit more foster carers and adopters, increase the number of children adopted, reduce the numbers of children placed in IFAs, and reduce residential placements.

3.6.3 Children's Social Care has achieved containment despite new emerging pressures in the form of the Tower Hamlets Judgement requiring all connected person (kinship) foster carers to be paid the professional foster carer fee in addition to the child's maintenance allowance, increases to Special Guardianship numbers as a result of court orders, and most recently the Staying Put requirements placed on Local Authorities.

3.6.4 Since 2012/13 the placement overspend has reduced from £269k to an £18,000 underspend in 2013/14 and a current projected overspend of £43,000 in 2014/15.

3.7 Bellegrave Temporary Accommodation (invest to save)

3.7.1 In January 2013 the Executive agreed the one-off funding of £400k for the refurbishment and professional fees required to bring the former residential building up to the required letting standard. This refurbishment provided 34 units for people requiring temporary accommodation.

3.7.2 Overall for this initiative £492k has been spent. This has reduced the numbers of people being placed in more expensive accommodation meaning that there is a projected cumulative saving of £383k for 2013/15 (£86k 2013/14 and full year effect of £297k for 2014/15). The estimate of the full year savings was £246k. Therefore the savings target has been surpassed. The savings will have repaid the initial investment by 2015/16

3.8 Director's Comments

3.8.1 The invest to save programmes have had a mixed impact on their intended purpose to both reduce and contain pressures in the Care budgets. The Bellegrove scheme is by far the most successful. It started in a timely manner, was considered a corporate initiative and has had a major impact on controlling costs.

3.8.2 Similarly, the children's containment programme was effective. With pressures of £1.3m projected, the funding allowed a range of system changes that have largely held down costs, although we are once again beginning to see pressures increase. Again, these were started in a timely manner, well supported by senior managers and considered part of the core business of the fostering team.

3.8.3 The adult social care schemes have been less successful. Although projected to start in 2011, it was only with the appointment of the interim assistant director in adult social care that these were given impetus. We are beginning to see an impact but typically around 18 months was lost to each and this has had an impact on the savings profile. However, the direct impact of the invest to save is hard to determine as across the same period, supervision processes were improved leading more timely and detailed client reviews which also impacted positively on savings.

4. FINANCIAL IMPLICATIONS

4.1 The main body of the report contains the details of the investment for each initiative, spend to date and projected savings.

4.2 The Dementia and PD schemes were funded from NHS social care funding held in contingency. This meant that there was no payback of investment required. The Bellegrove scheme was funded from the central invest to save fund. This has been paid back from a combination of savings and additional grant obtained. The children's social care scheme was an invest to contain, meaning that placement budgets were to be contained within the current funding envelope and there were to be no growth requests. Therefore there is no expectation of payback of the initial funding.

4.3 There have been delays in implementing some of the invest to save schemes which has meant that in turn savings projections and targets have not been reached in all cases.

4.3 Savings that have been achieved and these have formed part of the overall medium term financial strategy for the Department and have been taken where possible.

Non-Applicable Sections:	LEGAL PERSONNEL and POLICY IMPLICATIONS
Background Documents: (Access via Contact Officer)	[Title of document and date]