

Appendix 3

2019/20 Adult Social Care Business Plan Health and social care transformation savings schemes update

Introduction

This is to provide a summary of the progress with savings from new care models and other schemes for Adult Social Care which were approved as part of the 2018-20 budget in February 2018. The schemes remain as planned but the delivery of benefits and cost of models have changed to reflect phasing and mobilisation. The net approved savings were £8.519m for 2018/19 rising by £18k to £8.537m for 2019/20. This was made up of gross savings of £14.620m and costs of £6.083m, a net of £8.537m.

A re-assessment of potential savings from new care models and other schemes has taken place during November 2018. This estimated that gross savings of £3.518m are expected to be achieved in 2018/19 and £7.759m is projected for 2019/20, a total of £11.277m. This is a reduction in gross savings of £3.343m from the plan previously approved.

Following the re-assessment the costs of the new care models is expected to reduce to £1.825m in 2019/20, this in part funds the shortfall in gross savings (£3.343m), leaving a gap of £1.568m. It is proposed this gap is met by deployment of unspent ASC grant for 2018/19 which has arisen as a result of the new care models slipping.

In addition budget proposals for the City Council at January Executive included a further savings requirement for directorates which included an additional £200k from Adult Social Care. This would mean increased planned savings to £8.737m for the 2018-20 period. It is proposed that the additional savings are identified from the Learning Disability budget from an expansion of the existing Shared Lives programme (£150k) and further new care model investment (£50k).

In total this leads to revised gross savings of £7.909m and revised net savings (after implementation costs for new care models) of £6.064m. The projected ongoing costs and savings from new models of care and other schemes will need to be re-assessed as part of the financial planning for 2020/21 onwards.

Savings schemes and care models

Whilst the savings new care models and schemes will deliver the changes to enable the savings, the actual gross savings of £7.909m for 2019/20 will come from the following budget areas:

- Homecare - £4.7m savings from a reduction of 5,930 (22%) hours
- Residential and Nursing - £1.084m savings from a reduction of 49 (5%) care packages
- Learning Disability savings of £0.650m
- Mental Health savings of £0.775m
- Commissioning savings of £0.5m
- Reductions inappropriate cash individual budget spend following the introduction of pre-payment cards - £200k

Details of the care models and schemes are below and summary of the savings set out in the savings schedule to follow:

Assistive Technology Scheme – To provide support to elderly people and those with long term health conditions, MLCO is leading the implementation of a medicines support pathway including an automated medication dispenser and Comprehensive ‘Front Door’ Assistive Technology offer. MLCO has estimated that working with 100 existing people in receipt of Homecare and reducing or avoiding new Homecare packages for 645 people could deliver gross savings of £1.162m from Homecare in 2019/20. There is an estimated cost of £469k which will be met from the Better Care Fund integration reserve. Both elements of Assistive Technology are in the very early stages of development and the potential impact will be reassessed following full mobilisation to inform the financial plan for 2020/21 onwards.

Extracare – Schemes during 2018/19 involved the introduction of Village 135 scheme and the provision of 20 new Neighbourhood Apartments within Extra Care or Retirement Housing to allow older people to benefit from a short stay at a time when their needs are changing and their full potential or recovery level is unclear. The current forecast is that £1.523m of savings will be delivered in 2018/19 from reductions in Residential and Nursing packages. Due to delays in further schemes starting as a result of previous uncertainties over government funding, most of the savings for 2019/20 are expected to be delayed to 2020/21. Funding of £954k will be required for existing schemes during 2019/20, £734k of which will be met from gross savings in other schemes and £220k from the Greater Manchester Transformation Fund.

High Impact Primary Care - This work programme provides primary care-led, proactive, intensive person-centred support for the 2% of people living with the most complex medical and social needs and those who are the most frequent users of acute care services. For 2019/20 gross savings of £153k have been estimated from a reduction in Homecare.

Reablement – MLCO is leading the expansion of the existing core Reablement service which provides up to 6 weeks of reablement support to people to stabilise their situation and enable them to return home safely. Following recruitment and training of up to 60 new Reablement workers, MLCO is planning to increase capacity by 1,063 people (35%) to a total of 2,963. Complex reablement is a new complex pathway service model to support people to remain in the community for as long as is feasible. MLCO is planning to work with 50 people per year on this new pathway. For 2019/20 gross savings of £3.218m, in addition to £0.5m savings estimated for 2018/19. Costs of £2.693m are estimated to be met £1.111m from gross savings in year and £1.582m from non-recurrent Adult Social Care grant.

Prevention programme has three elements - Community Links for Health, Health Development Coordinators and Community Capacity Fund. The current assessment of the business case and revised cost benefit analysis has concluded that no benefits will fall to residential and nursing budgets in the short term and savings for 2019/20 have been removed.

Contract Review - There is a savings target for ASC of £500k in 2018/19 this involves a review of contracts related to commissioned services. The aim was to achieve £500k of savings by identifying a number of contract related efficiencies. The current forecast is that none of these savings will be delivered in 2018/19 and are delayed until 2019/20.

High Cost Placements - Savings of £950k for 2018/19 and further savings of £500k for 2019/20, following savings of £1.2m achieved in 2017/18. A full analysis has been undertaken of the 1,099 people with Learning Disabilities, which includes reviewing the type of provision that they are receiving. These savings are on track to be delivered.

Public Health - £545k of savings achieved has been identified against activity contracts as planned. However, there is a budget shortfall in 2018/19 of £125k relating to the cost of the Health Visiting contract that transferred into the MHCC Pooled budget last year from Children's Services. It is proposed that a budget allocation is made from the inflation allocation within the pooled budget for 2019/20.

Recommissioning of low value packages - There is a savings target for ASC of £250k in 2018/19 and further £250k in 2019/20. This work programme intended to review the individual adult social care support packages of individual who have a support package value less than £100. A sample review of 60 individuals which identified that there was very limited scope for any potential

cost savings as most people were actually receiving statutory support. As a result the work programme is no longer being pursued as a separate saving and where it is identified that savings may be deliverable from low value packages of care the process of reviewing these packages of care will now take place as part of the new Strengths Based Assessment work programme (below).

Strengths based support planning - The 2018-20 budget included a savings target of £775k in 2018/19 from a review of the Resource Allocation System particularly with use around Learning Disability packages of care. The intention was to move towards a strengths based approach as a model for reform and identifying opportunities for applying the approach in the short, medium and long term. The proposed approach is based on a 'creative, whole life care and support journey' with individually designed outcomes based on 'personalisation', a Resource Allocation Approach (RAA) that links to need and complexity and development of a community asset approach. This project is being developed with a focus in two areas:

- A strengths based review of Mental Health adult social care individuals is being developed by Greater Manchester Mental Health. This is expected to provide reductions in the overall cost of packages of care
- A workforce development exercise which involves training all social care staff in the strengths based assessment approach which encourages a more holistic way to reviewing individuals. This part of the work programme may also involve reviewing the current RAS process to reflect the strengths based approach.

Homecare - Savings of £750k are estimated for 2019/20 based on financial models that supported the approved proposal. Bids are currently being reviewed by MCC Corporate Procurement and MHCC is determining the mobilisation plan to ensure that reviews are up to date and to ensure a smooth hand over of services between existing providers and new providers from April 201

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		£'000	£'000	£'000	£'000	£'000
New Care Models Gross Savings						
Extra Care	Green	-2,254	-1,523	0	-1,523	731
Assistive Technology	Red	-2,399	0	-1,162	-1,162	1,237
Reablement Core / Complex	Red	-3,374	-500	-3,218	-3,718	-344
High Impact Primary Care	Red	-504	0	-153	-153	351
Prevention	Red	-1,369	0	0	0	1,369
Gross NCM savings		-9,900	-2,023	-4,534	-6,557	3,343 *
New Care Models Investment						
Extra Care		1,605		734	734	-871
Assistive Technology		1,079			0	-1,079
Reablement		2,531		1,111	1,111	-1,420
Carers		23		0	0	-23
Total Investment		5,238	0	1,845	1,845	-3,393 #
Sub-total New Care Models - Net Savings		-4,662	-2,023	-2,689	-4,712	-50

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Other ASC Savings							
Public Health		Green	-545	-545	0	-545	0
High Cost Placements (Learning Disability)		Amber	-1,450	-950	-500	-1,450	0
Strengths Based Support Planning - Mental Health		Red	-775		-775	-775	0
Homecare: Implement outcomes based commissioning		Amber	-750		-750	-750	0
Re-commissioning of low value packages		Red	-500		0	0	500
Contract Review		Red	-500		-500	-500	0
Prepaid Cards for Cash Individual Budgets		Amber	-200		-200	-200	0
Strengths Based Support Planning - All ASC Packages		Red			-500	-500	-500
Shared Lives (net of £150k investment)		Red			-150	-150	-150
Sub-total			-4,720	-1,495	-3,375	-4,870	-150 #
Reversal of non-recurrent savings in 2017/18							
Minor Schemes			595	595	0	595	0
Adult Social Care Grant - non-recurrent			250	250	0	250	0
Sub-total			845	845	0	845	0
Total Gross Savings			-14,620	-3,518	-7,909	-11,427	3,193
Total Costs			6,083	845	1,845	2,690	-3,393
Total Net Savings			-8,537	-2,673	-6,064	-8,737	-200

*Reduction in gross savings - pressure of £3.343m

Recovery proposals totalling £3.543m which includes further savings of £200k