

CLYDE VALLEY REVIEW – HEALTH AND SOCIAL CARE COLLABORATIVE

CLYDE VALLEY OUTLINE BUSINESS CASE – EXECUTIVE SUMMARY

1. Strategic Context

Current service provision / challenges

Social Work services, in partnership with local NHS Boards, provide services and supports to some of the most vulnerable people living in our communities. These cover service areas such as mental health, physical disabilities, learning disabilities, addictions, as well as a number of other important services which provide care and protection to those most vulnerable. For social work services alone across the Clyde Valley this equates to a total social care budget of almost £1.4billion, with over 15,000 FTEs, although this level of resource will decrease significantly in future years.

Within the Clyde Valley Review, Sir John Arbutnott noted the demand-led nature of health and social care services. Services are delivered to the most vulnerable people living across the Clyde Valley, the need for which is often unpredictable. Service demands have increased over the past decade and in particular in the last few years with particular pressures stemming from:

- Increasing numbers of vulnerable children and adults requiring care and protection and the need to manage risk to these groups.
- Increasing numbers of older people requiring support and community care services / long term care
- Increasing levels of drug/alcohol misuse

Due to the demand-led nature of these services, these challenges have culminated in significant resource pressures. The budget for social work services now constitutes approximately 30% of the total resources available to local authorities, and consequently resourcing pressures being experienced in these services, have a significant impact on local authority provision as a whole.

Collaborative working – the benefits

In light of the significant financial and demographic challenges facing the 8 local authorities and 2 health boards, the Clyde Valley Health and Social Care collaborative was established to investigate and take forward proposals for joint working and collaboration.

In recent years, a great deal of work has been undertaken across health and social care services to modernise and improve the efficiency of service delivery. At the heart of this is a real drive to improve the outcomes experienced by service users. It is recognised that a traditional approach to budget management and the targeting of efficiency savings, will not allow services to deliver the level of savings required within their organisation. Joint working through the collaborative, is seen by all participants as being key to tackling the significant demographic and financial pressures being experienced across the Clyde Valley area.

The Clyde Valley Health and Social Care collaborative is seeking to achieve efficiencies through collaborative procurement, and to work together in the longer term to develop proposals for service redesign around children's services, adult services, telecare and telehealth savings, and in relation to shared opportunities around training and development. The collaborative has developed proposals around several key areas which are detailed within the next section.

Procurement

Significant savings are being targeted over both the short-medium and longer term by members of the collaborative. Whilst significant procurement efficiencies have been and continue to be targeted by local authorities at an individual level, collaboration offers greater surety that the targeted savings, as well as potential additional savings can be realised.

The key procurement areas being targeted relate to childcare, adult care and residential care home places purchased through the national care home contract. These represent significant areas of spend for each Clyde Valley authority, with the procurement of supported living services alone equating to around 13% of the total social care budget across the Clyde Valley. Further information on the levels of spend is contained in Table 1 below.

In relation to longer term savings, Clyde Valley local authorities are working collectively to develop proposals to redesign services, particularly in relation to fostering and residential services for children, and supported living services for adults with learning disabilities. These initiatives have the potential to deliver further savings.

The national care home contract represents the final element of the procurement programme being taken forward by the collaborative. The 8 Clyde Valley authorities spend an estimated £185m per annum on care home places through this contract, and are actively participating in discussions with providers on the current level of rates attached to the contract. These discussions are being lead by COSLA, and although any reduction in rates which may be agreed with providers will be realised across all authorities in Scotland, the participation of senior figures allows Clyde Valley authorities to have a strong voice in terms of determining the level of these savings.

Telecare/telehealth

Given the focus on reshaping the balance of care for older people across both local authorities and health boards, a working group was established to consider options for collaborative working across telecare/telehealth services. This area of service has been a particular area of growth, with local authorities being able to demonstrate significant benefits from using the technology, particularly in relation to maintaining people safely within their own homes.

The key areas identified by the group for further exploration relate to potential savings which could flow from joint call handling arrangements with partners such as NHS 24, and the development of telehealth initiatives with NHS boards. Links have been established to work being taken forward by Scotland Excel on the development of a national framework for the procurement of telecare equipment, whilst a clear benefit is likely to be the sharing of best practice and joint working between participating local authorities and health boards.

Shared training and development proposals

It is estimated that Clyde Valley authorities spend in excess of £6m on the training and development of social work employees. This area of expenditure is likely to decrease in future years, and the collaborative was keen to progress shared opportunities around training and development in order to ensure that value for money across authorities was maximised.

This particular workstream has considered opportunities for cross agency e-learning initiatives, for potential joint procurement opportunities in relation to behaviour management training, and potential savings relating to the delivery of SVQs for staff across organisations. Options for realising savings in relation to these areas are currently being explored. In addition, discussions have been held with SQA regarding the potential to develop a national qualification in behaviour management, which could be accessed and accredited on a collaborative basis, thereby reducing the need to contract external providers to deliver this on behalf of local authorities.

Table 1 Level of spend on targeted areas

Total Clyde Valley spend on social work services	£1.4 billion
Annual Clyde Valley Spend on targeted areas:	
Residential Child care services (external)	£32.7m
Fostering Services (external)	£19.6m
Adult supported living services	£178m
National care home contract	£185 m (estimated)
Telecare (equipment only)	£1m (estimated)
Training and Development (estimated)	>£6.3 m

2. Indicative Savings Proposals

Procurement – Adult Care services

Key aims	<ul style="list-style-type: none"> - Cost reductions sought from key providers of adult supported living services to achieve savings in region of 4-5% - Work with providers to develop future commissioning plans for services - Share best practice and learning across organisations on activities being undertaken to reshape / change the balance of care
Progress to date	<ul style="list-style-type: none"> - Discussions underway with major adult care providers (3 meetings held) - Further engagement with providers planned to develop potential framework agreement supported by local bilateral agreements.
Benefits realisation	<p>Year 1 – local authorities targeting procurement savings of 4% = £7.1m</p> <p>Year 1 – targeting additional procurement savings through collaboration 1% = £1.78m</p> <p>Year 2-3 – service redesign with providers to achieve significant efficiencies</p>
Key risks and challenges	<ul style="list-style-type: none"> - Ability to achieve procurement savings is reliant upon effective negotiations with providers - Potential negative publicity stemming from provider discussions - Need to mitigate risks to service users from reshaping care packages - Local authorities are at different starting points and will achieve varying levels of efficiencies i.e. some have made significant savings to date.
Next steps	<ul style="list-style-type: none"> - Progress discussions with providers to pursue collaborative efficiencies - Develop provider group to progress service redesign opportunities

Procurement – Children’s Services

Key aims	<ul style="list-style-type: none"> - Progress work being taken forward through Regional Child Care commissioning pathfinder (Scottish Government funded) - Cost reductions sought from all foster care / residential providers through greater collaboration around commissioning/procurement of services
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	<ul style="list-style-type: none"> - Redesign child care services market /future provision 																
Progress to date	<ul style="list-style-type: none"> - Discussions underway with foster care / residential care providers - Sub-group pursuing development options around secure care which costs on average £5,250 per week per child - Development sessions held with providers to map out future commissioning plans. 																
Benefits realisation	<p>Year 1 – Target collaborative procurement savings on external spend</p> <table> <tr> <td>Fostering</td> <td>1%</td> <td>=</td> <td>£0.2m</td> <td>Residential</td> <td>1%</td> <td>=</td> <td>£0.3m</td> </tr> <tr> <td></td> <td>4%</td> <td>=</td> <td>£0.8m</td> <td></td> <td>4%</td> <td>=</td> <td>£1.3m</td> </tr> </table> <p>Year 2-3 – service redesign with providers to achieve significant efficiencies, particularly around alternatives to secure care for children</p>	Fostering	1%	=	£0.2m	Residential	1%	=	£0.3m		4%	=	£0.8m		4%	=	£1.3m
Fostering	1%	=	£0.2m	Residential	1%	=	£0.3m										
	4%	=	£0.8m		4%	=	£1.3m										
Key risks and challenges	<ul style="list-style-type: none"> - Ability to achieve procurement savings is reliant upon effective negotiations with providers - Service redesign needs to be embraced by all participating authorities and health boards to ensure that future developments meet their requirements. 																
Next steps	<ul style="list-style-type: none"> - Progress discussions with providers to pursue collaborative efficiencies - Continue to develop and progress commissioning groups established through the regional childcare commissioning pathfinder. 																

National care home contract

Key aims	<ul style="list-style-type: none"> - To discuss and explore the future sustainability of the contract with providers - Leaders from Clyde Valley authorities play a key role in national discussions
Progress to date	<ul style="list-style-type: none"> - Meeting held with Scottish Care in October 2010. Lead by COSLA and involving Peter Macleod and Lynne Brown (Glasgow City Council)

Benefits realisation	Year 1 – local authorities targeting procurement savings of	1%	=	£1.8m
		2.7%	=	£5m
Key risks and challenges	<ul style="list-style-type: none"> - Ability to achieve procurement savings is reliant upon effective negotiations with providers at a national level - Potential negative publicity stemming from provider discussions 			
Next steps	<ul style="list-style-type: none"> - Next meeting to be held in November to agree rate from 1/4/2011 			

Telecare and telehealth developments

Key aims	<ul style="list-style-type: none"> - Explore opportunities for joint call handling arrangements between local authorities / links with NHS 24 - Share best practice and learning across organisations on activities being undertaken to reshape / change the balance of care
Progress to date	<ul style="list-style-type: none"> - Working group established to develop proposals / share best practice across local authorities and health boards. - Number of authorities have agreed to explore joint call handling arrangements with NHS 24.
Benefits realisation	<p>Potential savings are currently being investigated in relation to:</p> <ul style="list-style-type: none"> - Collaborative procurement of equipment through national contract being developed by Scotland Excel (estimated value of spend = £1m) - Joint call handling arrangements - Telecare / Telehealth developments between health boards and authorities will provide opportunities to deliver services in a more cost-effective manner.
Key risks and challenges	<ul style="list-style-type: none"> - There is a need to ensure that procurement / development options are future-proofed for future cost avoidance as far as possible -
Next steps	<ul style="list-style-type: none"> - National contract for equipment to be in place by mid 2011. - Proposals for joint call handling arrangements to be developed and proposal agreed by March 2011.

Shared Training and Development Opportunities

Key aims	<ul style="list-style-type: none"> - Explore opportunities for shared provision of training across authorities and health boards - To achieve cost efficiencies from specialist training providers - To explore options to reduce the number of SVQ centres used by organisations
Progress to date	<p>This workstream is being progressed through the existing Clyde Valley Training and Development Partnership. Importantly, potential opportunities involve health partners. Key elements of progress:</p> <ul style="list-style-type: none"> - Meetings held with providers of behaviour management training to request efficiencies of 4-5%pa - Agreement reached to progress proposals to reduce the number of SVQ centres currently in operation - Members have agreed to take forward opportunities to deliver e-learning on a shared basis e.g. Future child and adult protection awareness training or criminal justice related training - Discussions being undertaken with SQA to develop national accreditation to replace behaviour management training
Benefits realisation	<p>Potential savings being pursued in relation to:</p> <ul style="list-style-type: none"> - Reduction in SVQ centres (year 1 – 11/12) - Efficiencies from behaviour management contracts (Year 1) - E-learning (cost avoidance rather than cashable efficiency saving) (Years 2-3) - The development of a behaviour management training qualification with SQA (Years 2-3)
Key risks and challenges	<ul style="list-style-type: none"> - Ability to achieve procurement savings is reliant upon effective negotiations with providers - This is a key area where there can be a quick win in terms of savings for both authorities and health boards. It is imperative that partnership working in this area continues to be supportive.

Next steps

- Local authorities have agreed to reduce the number of SVQ centres. This initiative needs to be hastened in order to deliver efficiencies in the next financial year. A proposal is being developed for agreement by authorities in November 2010.
- Finalise discussions with providers of behaviour management training to ensure procurement efficiencies realised in 11/12.
- Progress discussions with SQA regarding the national qualification for behaviour management (Decision pending from SQA)

3. Timelines for Benefits Realisation

	2010/11		2011/12				2012/13				2013/14			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Adult care procurement														
Complete negotiations with providers for 11/12 rates	█	█												
Develop provider group to progress service redesign opportunities		█	█	█	█									
Take forward service redesign options						█	█	█	█	█	█	█	█	█
Child care procurement														
Complete negotiations with providers for 11/12 rates	█	█												
Continue to develop commissioning groups to support service redesign	█	█	█	█										
Commissioning strategy for children's services developed					█									
Take forward service redesign options						█	█	█	█	█	█	█	█	█

	2010/11		2011/12				2012/13				2013/14			
National care home contract														
Complete negotiations with providers for 11/12 rates														
Telecare / telehealth development														
Develop and agree proposals for shared call-handling solution with NHS 24														
Implement joint call-handling arrangements (if agreed)														
National contract for telecare equipment in place														
Shared training and development proposals														
Complete negotiations with providers for 11/12 rates														
Develop and agree proposals for reduced number of SVQ centres														
Implement new SVQ centre arrangements														
Develop proposals with SQA to deliver national qualification for behaviour management														
E-learning opportunities shared across Clyde Valley authorities														

4. Recommendations

It is recommended that Clyde Valley Leaders and Chief Executive's note these proposals and agree that these are progressed as outlined within this summary.