

**SAVING PROPOSALS
BUDGET 2012/13 – 2014/15**

**Item Ref. No:
AHWB 5 (2012)**

TITLE OF SAVINGS OPTION:		LD residential and supported living efficiencies via collaborative work with neighbouring Boroughs.			
DIRECTORATE:		Adults Health & Wellbeing			
SERVICE AREA:		Adult Social Care	LEAD OFFICER:		Keith Burns
FINANCE CONTACT:					
	Current Budget	Saving £000s (Incremental)			
£'000	2011/12	2012/13	2013/14	2014/15	Total Savings
Employees (FTE)					
Employees					
Others	9,820		300		300
Income					
TOTAL SAVINGS			300		300
Revenue/Capital Costs: Are there any revenue or capital costs associated with this proposal? No					
		Costs (Incremental)			
	Ref No.	2012/13	2013/14	2014/15	2015/16+
Revenue Expenditure					
Capital Expenditure					
Total					
Nature of expenditure:					
1.	Outline/ details of savings proposal , including indications of stage of development, and work and timescales needed to finalise proposal:				
<p>A number of East London Boroughs have agreed a pilot project to identify ways of generating additional efficiencies in the procurement of residential care and supported living for adults with learning disabilities. It is intended that these additional efficiencies will be generated by the following means:</p> <ul style="list-style-type: none"> Negotiation with suppliers currently contracted by a number of the involved Boroughs (economy of scale) using the Care Funding Calculator. Identifying opportunities to commission supported housing solutions on a shared basis that provides accommodation closer to individual's families than current placements do, while also offering better value for money. Identifying opportunities for developing local specialist accommodation options that would not 					

be economically viable on a single Borough basis, but in combination becomes viable and that enable individuals to live closer to families than current spot-purchased placements do.

Prior to these benefits being realised a number of complex issues arising from collaborative working, such as dealing with issues of ordinary residence, need to be resolved. As a result, the benefits of this project are not expected to be realised until 2013/14.

This project supplements existing work to improve efficiency in the Council's commissioning of residential and supported accommodation (AHWB 156 LD Resettlement) and is intended to provide additional benefits not realisable on a single Borough basis. So far, this work has identified £1.1m savings under a proposal agreed by Members in the first phase of efficiency savings. This has demonstrated that we can enter into shared services arrangements and further negotiate better savings.

2. Service implications of saving:

The delivery of the project will mean that a broader range of more local accommodation solutions are available to individuals, and this will allow for the easier maintenance of family and support networks than being placed in settings potentially much further away from the individual's family home. The service implication should, therefore, be positive.

3. Actions required to achieve saving:

The Boroughs involved have initiated a pilot project which will provide 'proof of concept' and a more detailed delivery plan, by March 2012. LBTH is hosting this project, with costs being met by the involved Boroughs.

4. Potential implications for staff, contractors, partners, assets and other Directorates:

Directorate	2012/13	2013/14	2014/15	TOTAL
Chief Executive's				
Children, Schools and Families				
Schools (DSG Funded)				
Communities, Localities and Culture				
Development and Renewal				
Housing Revenue Account				
Resources				
TOTAL				

Notes

This project relates only to externally commissioned, and spot-purchased, arrangements, and as a result there are no implications for any of the stakeholder groups other than existing residential care

providers who may see reduced income as a result of our relocating individuals to more appropriate accommodation more locally. Those suppliers may be able to fill the resulting vacancies with placements from other local authorities. This is not, therefore, considered to be a material impact.

5. Other risk factors which could prevent this saving being achieved following implementation

The pilot project may identify that it is not possible to generate this level of savings in the timescale envisaged. This may mean the overall FYE effect needing to be phased over two or more years. This is dependent largely on factors such as the speed with which new provision can be commissioned and brought on-stream.

6. Efficiency/ value for money - how will this proposal contribute towards greater efficiency/ better value for money and how will the efficiency improvement be measured?

More appropriate, and more locally available, accommodation solutions will be delivered at lower cost than existing spot-purchased placements. The improvement will be measured via an ongoing analysis of spend relating to placement changes and new placements.

Additionally, more local provision provides some efficiency saving in terms of distance and time required for Social Workers and other staff to undertake reviews and other similar activities that involve travelling to the individual's accommodation.