




## Executive Decision Report

Decision maker(s) at each authority and date of Cabinet meeting, Cabinet Member meeting or (in the case of individual Cabinet Member decisions) the earliest date the decision will be taken	<p>Full Cabinet</p> <p>Date of decision (i.e. not before): <i>6 July 2015</i></p>	
	<p>Full Cabinet</p> <p>Date of decision (i.e. not before): <i>16 July 2015</i></p> <p>Forward Plan reference: <i>KD04569/15/K/A</i></p>	
	<p>Cabinet Member for Adults and Public Health and Cabinet Member for Finance and Corporate Services</p> <p>Date of meeting or formal issue (i.e. not before): <i>8<sup>th</sup> June 2015.</i></p>	
Report title (decision subject)	<b>ADULT SOCIAL CARE SHARED SERVICES STRATEGIC BUSINESS CASE</b>	
Reporting officer	Liz Bruce	
Key decision	Yes	
Access to information classification	Public	

## **1. EXECUTIVE SUMMARY**

- 1.1 This report is a business case for funding for the Adult Social Care (ASC) Shared Services change portfolios across the three councils, to deliver the ASC vision over the next three years.

## **2 RECOMMENDATIONS**

### **For Westminster City Council (WCC)**

- 2.1 That the Cabinet Member for WCC supports this business case, and the creation of a strategic funding facility of £6.22M over a three year period 2015–2018, funded from each council's reserves, pro rata to planned savings for that council. The WCC contribution to this facility is £2.41M;
- 2.2 That the Cabinet Member for WCC supports ASC plans for 2015-16, and the release from WCC reserves of £737K in 2015-16 from WCC reserves to execute these plans;

### **For the London Borough of Hammersmith and Fulham (LBHF)**

- 2.3 That LBHF Cabinet supports this business case, and the creation of a strategic funding facility of £6.22M over a three year period 2015–2018, funded from each council's reserves, pro rata to planned savings for that council. The LBHF contribution to this facility is £2.46M;
- 2.4 That LBHF Cabinet supports ASC plans for 2015-16, and the release of £833K in 2015-16 from LBHF reserves to execute these plans;

### **For the Royal Borough of Kensington and Chelsea (RBKC)**

- 2.5 That RBKC Cabinet supports this business case, and the creation of a strategic funding facility of £6.22M over a three year period 2015–2018, funded from each council's reserves, pro rata to planned savings for that council. The RBKC contribution to this facility is £1.35M;
- 2.6 That RBKC Cabinet supports ASC plans for 2015-16, and the release of £499K in 2015-16 from RBKC reserves to execute these plans;

## **3 REASONS FOR DECISION**

- 3.1 ASC requires investment to transform and improve services, implement policy reforms and deliver savings plans. The funding facility is required to resource ASC transformation, business improvement and efficiency savings portfolios over a three year period 2015-2018, to deliver at least £46M in savings.
- 3.2 The release of funds in 2015-16 is required to support the delivery of ASC 2015-16 change plans.

## 4 BACKGROUND

4.1 ASC and Health face rising demand. More people with multiple long-term health conditions need help. Declining Local Government settlements leave smaller budgets from which to meet their growing need for care and support.

4.2 ASC's vision to meet the challenge of rising demand and declining budgets is person-centred, high quality, integrated care, provided in people's homes and communities. Good care and support make for good outcomes; good outcomes help people stay well and better able to look after themselves and each other. We seek these outcomes for our residents:

- Healthy, independent adults are active in their communities and connected to families, friends and neighbours,
- Fit older people, who contribute to communities, support others and promote their own health and wellbeing,
- Disabled adults with long-term conditions have full choice and control over their own lives and are supported to manage their condition,
- The most vulnerable adults are protected from abuse and neglect.

4.3 The transformation of Adult Social Care and Health is being developed in the context of national and local challenges and opportunities. Nationally, two new laws have made the biggest changes in the modern health and care system since its creation:

- In 2012 the Health and Social Care Act made far-reaching changes in the structure, governance and economics of the NHS. The reforms have had profound direct and indirect effects on local councils
- From April 2015, the Care Act will reform the Adult Social Care system more than any other change for sixty years, impacting social care practice, legislation and funding. The Act streamlines legislation, and brings new duties to the local government and new rights for residents. It substantially widens our customer base to include people who currently fund their own care, informal carers, prisoners and others with care-needs not formerly eligible for public support. These new duties bring new demand and also require us to change our processes and professional practice.

4.4 A second determinant of change is a new phase in the integration of health and care. The Better Care Fund (BCF) brings larger pooled budgets and clear key performance targets for prevention of hospital admissions for elderly and disabled residents. BCF is intended to promote services at home that care for people with serious health conditions. These new out-of-hospital care services replace acute hospital care with care at home. As a key community service, ASC's frontline will support more people with increasingly acute and complex care needs in their homes, and this will require new models of commissioning and delivery.

4.5 Additionally, the national devolution agenda will challenge both ASC and Health to

work through the scale and spatial level at which services should be delivered.

- 4.6 Locally, ASC is implementing a single operating model, through our Customer Journey and Community Independence Service changes, to three different councils, each holding sovereign budgets and facing different service pressures and priorities.
- 4.7 The frontline ASC service in each authority has been developed independently, and is entering into the shared ASC service from a different starting point. Our ambition through the Customer Journey is to build a single operating model and a single service offer based on our vision above, while respecting the local needs and policies of each borough.

### **Work completed since November 2013**

- 4.8 In 2013, ASC was granted transformation funding of approximately £1.6M for the period 2013/14 and 2014/15, of which £1M has been spent, plus additional funding of £0.4M from Health. These funds were used to launch a portfolio of change to transform our delivery of social care, and to meet current and future savings targets.
- 4.9 The goals and plan for this work are illustrated in the ASC Shared Services 'Plan on a Page', included at Appendix 1. In the period since funding was granted, ASC has completed the following work:
  - Delivery of 2014/15 savings of £9.1M across the three boroughs.
  - Definition and analysis phases of the ASC Operations alignment programme, including external analysis and customer engagement, and the development of a high level design for the Customer Journey programme,
  - A complex programme of change and readiness for the implementation of the first phase of the Care Act in April 2015,
  - The design and tender of contracts for a new enabling model of Homecare. This is the first of its kind nationally, with Homecare commissioned on outcomes, rather than time and inputs, and low level health care integrated into the delivery of the service,
  - The initiation and mobilisation of a programme of Better Care Fund projects, working with Clinical Commissioning Groups to prevent hospital admissions for elderly and disabled residents. The flagship project, a new Community Independence Service, launched in April 2015. A hospital discharge pilot is also underway,
  - The implementation of a portfolio management unit and governance process to manage and control the portfolio, interfacing to the Health led portfolio management functions, to support joint ASC and Health governance arrangements for Whole Systems and the Better Care Fund programmes,
  - Co-ordinated participation in the co-design, planning and preparation stages of

the Health and Social Care Whole Systems Integrated Care programme. This programme entered its Early Adopters phase last year, and the workload on ASC is significant. Proposals are CCG specific, with each one requiring ASC Head of Service input alongside that of front line staff.

## **5 THE ASC BUSINESS CASE**

### **ASC challenges for 2015-18**

- 5.1 ASC faces the largest pressure to make savings of all council services, with a required minimum saving of over £46M over three years, against a 2014/15 net budget for the three Council's ASC service of £207m. At the same time, ASC must improve the quality of services, address the additional demands created by our ageing population and the Care Act, and deliver integrated front-line services.
- 5.2 When the shared ASC service was formed, the combined ASC back office organisation was reduced by around 40%. This reduction included commissioning and contracting functions key to driving strategic changes in cost effective purchase and improved outcomes. A recent Ernst and Young review of the commissioning organisation has highlighted significant under-capacity and lack of capability in the current ASC commissioning function.
- 5.3 ASC Directors and management are running the service to increasingly demanding standards. Unlike other Shared Services departments, ASC has a single set of directors across all boroughs. The pressure on this single team is increasing as we work across three boroughs, each with its own governance and oversight, lead large thematic portfolios, and fulfil our responsibilities as borough leads.
- 5.4 Our service functions and supporting change functions are insufficiently resourced to work at the pace we require to transform our services and make further savings. To address this, ASC must build a more resilient organisation, with more capacity and capability to lead, manage and absorb change.
- 5.5 To do this, ASC is requesting a strategic funding facility, to efficiently plan our change and change capacity over several years, through a single business case.

### **Request for investment**

- 5.6 We propose a funding facility related in value to the scale of our savings targets over the next three years, sourced through a drawdown from council reserves. The use of a three year horizon provides a longer term indication of ASC investment funding requirements, and allows ASC to plan investment strategically, using a combination of fixed term and interim resources
- 5.7 To establish the level of investment required over this period we have used two approaches, as follows.
- 5.8 To assess funding required for 2015-16 plans, we completed detailed planning at project and programme level to assemble our funding requirement. This is detailed in section 6.

- 5.9 To assess funding required for 2016-18 plans, we have referred to the level of planned savings in each borough. The proposed ratio of new funding requested to overall savings is approximately 13%. This rises to 16% if the cost of internal Innovation and Change Management resources (ICM) is recognised. For comparison, we took a small sample of commercial ventures and found ratios of between 10% and 15%. ASC invested approximately £1.4M in 2013-14 and made savings of £9.1M, a ratio of 15%.
- 5.10 Under our current savings plans to 2017-18, a 13% ratio indicates a facility of £6.22M of new ASC funding, over the three financial years. If the cost of ICM resources called upon by this model is included, the requirement is £7.5M. A full summary of resource costs is included at Appendix 2.

### **Resourcing Approach**

- 5.11 We will use the investment requested to fund a change resource pool including fixed term capacity, corporate change and interim resources, as follows.
- 5.12 We will augment our core service delivery organisation, introducing fixed term roles to replace some of the management and leadership capacity and capability lost at ASC Shared Services' creation. These roles will be key to defining and leading our change from within the service definition, management and delivery functions, and will take responsibility for delivery against service and savings commitments.
- 5.13 We will add fixed term capacity to our in-house ASC change management team, to a level where it can meet a significant proportion of regular demand, maximising utilisation of internal staff and reducing the requirement for external resources. This approach also provides greater continuity and builds internal change expertise and experience.
- 5.14 We plan to supplement the ASC change team through increased use of corporate change management capabilities, provided by the LBHF and RBKC Innovation and Change Management function (ICM). This is dependent on available capacity and capability, and requires ASC specialist knowledge to lead and oversee programmes. (Early stage discussions are also underway with WCC Change and Programme Management.)
- 5.15 We will continue to use interim external resources to release our own staff to work on change, and to provide additional specialist capability or additional capacity over time limited periods. Our model is front-loaded in 2015-16 and uses a higher proportion of contract based resources, as we build in-house capacity and capability.
- 5.16 The resource cost model at Appendix 2 details how we will use proposed funding and other sources to build the resource pool. This is a top down planning approach; the actual combination of resources used in each year will depend on the detailed plans for that year, and the skills and experience required for the change programmes initiated.

### **Alternative resourcing strategy considered**

5.17 The resourcing approach in this section builds internal capability and capacity. In view of the scale of resourcing required, ASC could commission alternative change management arrangements, by entering a strategic partnership with an external change delivery organisation and retaining an internal function to manage performance. This option has not been explored or evaluated in depth, as ASC leadership is of the view that it is unlikely to be in the boroughs' interests to depend primarily on an external change agency to deliver ASC transformation.

### **Funding of resources across the three boroughs**

5.18 The scope of the change portfolio is Shared Services, and will benefit all boroughs. Savings plans differ from borough to borough, and it is proposed that each borough contributes funding in proportion to the value of planned savings as a percentage of total ASC savings. Proposed funding by borough is included at section 11.

5.19 Where ICM resources are deployed, ICM will operate existing inter-borough cross-charging processes to ensure there is no cross council subsidisation through the use of ICM.

### **No permanent organisation growth**

5.20 This investment plan requests additional departmental resources over a three year period. At this stage, we do not know in any detail the level of change required to be funded in future years, and make no commitment that these resources are required beyond March 2018. In the event that the additional roles are not required beyond this date, ASC would need to restructure to continue to operate within budget.

### **Detailed Planning for 2015-16**

5.21 For 2015-16, we have undertaken a detailed analysis of the resources we need to deliver our plans, which is detailed in section 6. We have established how we can deliver this using a blend of in-house ASC, Corporate change, and external agency resources.

5.22 Our planned 2015-16 investment by portfolio is summarised in the following table, alongside the overall investment for future years, based on the resource model at Appendix 2. We will specify actual funding requirements each financial year during the planning cycle for that year.

<b>Funding by Portfolio (£000)</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>Total</b>
Transformation	1,166	<i>Calculated during the annual planning cycle</i>		
Efficiency Savings	545			
Business Improvement	663			
Portfolio Management	259			
less 2014-15 underspend	564			
<b>Total funding requested</b>	<b>2,069</b>	<b>2,075</b>	<b>2,075</b>	<b>6,219</b>

### **Assumptions and Risks**

- 5.23 To build our resource plans as efficiently as possible, we have made a number of assumptions, which carry attendant risks, described below.
- 5.24 Corporate change capacity: The model assumes that specific levels of Corporate change management resources will be provided each year by Innovation and Change Management (ICM), the LBHF and RBKC corporate change function. ICM leadership supports the ICM resourcing levels proposed in the business case.

In the event that ICM resources were not available at the level indicated, for example due to higher priority demands from other departments, or budget reductions reducing ICM capacity, then either ASC plans would need to be delayed (with potential impacts to savings), or alternative resources would need to be sought externally, at additional cost. To manage this risk, ASC will plan its resourcing with ICM, and will report regularly on resourcing risks and mitigating actions.

- 5.25 Corporate change capability and fit: The model assumes that Corporate change resource will be available at the required levels of capability and fit to required roles. There may be occasions when ICM cannot offer a suitable fit or capability at the point this is required. In this event, alternative capability would be sought externally, and at additional cost. To manage this risk, ASC will work with ICM to profile forecast demand and ensure appropriate skills and fit.
- 5.26 Pace of recruitment: The model assumes that ASC will be able to gain approval to appoint appropriate additional resources at pace. Current processes for the correct evaluation, approval and appointment of all types of staff are time consuming and resource intensive, and are often a critical factor in the pace of initiating project work. To deliver our plans, ASC requires support from HR and SSB to help us use HR processes efficiently, and allow us to swiftly and easily hire appropriately skilled resources. In the event this cannot be achieved, the change work described in this document will be delayed, impacting the pace of change and the realisation of savings.
- 5.27 Transformation investment requested for 2015-16 includes support for the Community Independence Service project team and for ASC leadership of Better Care Fund (BCF) schemes. However this business case assumes that BCF project office support continues to be available following joint ASC and Health planning in April 2015, and there is currently no provision for this in this business case.
- 5.28 Future savings requirements: ASC funding in this report is related to current known levels of savings. It is our expectation that further demands may be made in future years; this would result in ASC requesting additional funding beyond that indicated in this report.
- 5.29 Pace of change: We have provided for additional roles to lead and support change in the ASC functions. However organisational capacity remains limited, and our portfolios of change will typically be impacting the same key managers and Heads of Service at the same time, over long periods. We have been ambitious in our belief that we must progress our change agenda, however there is a risk that our plans are optimistic in their ambition and that the pace cannot be



sustained. We will manage this through monitoring progress and impacts through our ASC Leadership portfolio governance function and Workforce Development Board.

- 5.30 In view of these assumptions and risks, a contingency of 15% of the total cost of change has been assigned to the 3 year facility, to allow for planning risk and optimism regarding achievable pace of change. This is shown at Appendix 2. The contingency is expressed as funding on the basis that recovery action would be effected through the mobilisation of additional change resources.
- 5.31 The contingency has not been included in the funding request; however members may wish to consider it when providing for future drawings against reserves.

## 6 INVESTMENT PLAN FOR 2015-16

- 6.1 This section summarises the change work we intend to deliver in 2015-16 across our three portfolios: Transformation, Efficiency Savings, and Business Improvement, as illustrated in the ASC Shared Services Plan on a Page at Appendix 1.
- 6.2 In each portfolio we explain the changes planned, and any key operational roles for which we have made provision.

### Transformation Portfolio

Savings	Overall Timescale	Investment 15-16 (excluding IT)	Outcomes
£6M	3 years	£1,166K	Front end ASC operations redesigned. Compliance with Care Act phase II. New Homecare service implemented. In-house capability to lead on Whole Systems, Social Care and Personalisation.

- 6.3 The Transformation portfolio includes those programmes that will realise ASC's vision to deliver better outcomes through integration with Health; it includes the Customer Journey, Homecare, the Better Care Fund and Whole Systems Integrated Care programmes. In addition to improving outcomes, these changes are also intended to deliver a sustainably lower cost operating model over the next three years.
- 6.4 During 2015-16, the Transformation portfolio will deliver the following changes:
- Community Independence Service: we will co-ordinate the implementation of the new ASC operating model for the new Community Independence Service, working in an ASC Provider role with the Better Care Fund programme and alongside our Health partners
  - Care Act: we will embed changes in practice to meet the initial phase of the Care Act, and plan and implement readiness and changes to support the second phase, including funding reforms and market management,

- Homecare: we will launch new outcomes based Homecare services and monitoring, with significant changes in the organisation of our Homecare management teams
- IT systems: start work on a programme of changes to ASC Operations IT systems that support personalisation and the management and monitoring of care, to remove inefficiencies and work better
- Long term care teams: later in the year we will start to design changes in the long term/complex needs Operations teams, for completion during 2016-17. These changes will enable us to realise committed downstream Customer Journey savings
- Transitions shared services: the boroughs operate different models to support this service and we propose to review these and to implement a shared service delivery organisation. This early work will prepare ASC for a subsequent, more far reaching review to be undertaken jointly with Children's Services.
- As part of our internal diligence on the Transformation portfolio we have also made provision to host and manage an external Peer Review, to gain independent scrutiny and challenge on the changes we are planning.

### **Key roles to support Transformation**

6.5 In addition to a combination of ASC, ICM and interim change management resourcing, we have made provision for two fixed term ASC roles that are critical to national and local priorities of Prevention, Personalisation and Integration, and will enable us to make and sustain these changes to our service:

#### *Personalisation Lead*

6.6 The delivery of personalised care plans is a core requirement of the service. The Personalisation lead will be accountable for ensuring that we have the policies training and systems to deliver personalised care planning and care outcomes, meeting the individual needs of our customers and the requirements of the Care Act.

#### *Lead Social Worker*

6.7 New service responsibilities were created through the Care Act, and we will make extensive changes to how we work to support the new operational models we are designing. The Lead Social Worker will identify and respond to new initiatives and changes in legislation and government policy relating to adult social work and social care, and will lead on effective implementation and embedding these changes. The role will lead on social work best practice and ensure that our decision-making and organisational change is influenced by expert professional social work knowledge and practice.

#### *ICT Changes*

6.8 Note that additional capital costs for any ICT changes above are not yet confirmed, and have not been included here.

## Efficiency Savings Portfolio

Savings (excl. Transformation)	Overall Timescale	Investment 2015-16	Outcomes
£39M	3 years	£545K	Delivery savings targets for 2015-16. Plans for future delivery of savings

6.9 The Efficiency Savings portfolio includes investment costs for two large savings programmes, and the governance and tracking of savings delivery across all initiatives.

### *Commissioning and Contracts Efficiencies*

6.10 This programme of work will reduce the cost of ASC services commissioned through external providers across the three boroughs. It will include benchmarking against the market for best value and renegotiation and re-procurement to secure best value and minimise concentration of risk. Scope includes residential and nursing spot contracts and existing and framework block contracts.

6.11 The Contract Efficiencies team currently includes specialist commissioning and procurement expertise, supported by seconded and interim resources to free up capacity in the commissioning teams and facilitate skills transfer. We anticipate that this work may require additional resources, as the commissioning process will require significant input from providers to reduce the impact on the frontline.

### *Assistive Technology*

6.12 Assistive Technology is a key component of our strategy to support customers in their homes. We aim to develop an integrated approach to the development and delivery of Assistive Technology across Housing, ASC and Health in the three boroughs. The project is also planned to deliver savings of £3M over three years. Our project will support two streams of work:

- The development and procurement of integrated provision, offering call handling, equipment supply, and services and response
- Support and development of operational teams and clinical staff and services that provide information, assess need and support customers.

6.13 We have included provision to support two Assistive Technology officers to work across the 3 authorities, providing AT expertise for the teams, raising awareness, leading training, developing tools and information for the teams, supporting best practice, evaluating new technology and supporting pilot testing.

### *Savings programme management and tracking*

6.14 We have included provision for resources to manage and track savings plans.

## Business Improvement Portfolio

Savings	Timescale	Investment	Outcomes
Further savings to be confirmed	3 years	£663K	Integrated Commissioning Strategy and related savings plans. IT strategy implementation

### Commissioning Initiatives

6.15 The ASC Commissioning function is under new leadership and is undergoing a strategic review, with recommendations due in Q2 2015-16. In the interim, a number of service reviews and key roles have been identified and are provided for in our 2015-16 plans.

#### *Mental Health Partnerships Review*

6.16 ASC Section 75 agreements with the two Mental Health Trusts have remained in place during a period of ongoing upheaval and change, including the introduction of ASC shared services and CCG-based commissioning, pressure on budgets, new policy initiatives with a bearing on the service and organisational changes in both Trusts.

6.17 To ensure the partnerships are fit for purpose, we plan to review practice and identify improvements to enhance outcomes and reduce costs. This will also establish that statutory duties are being effectively discharged, including new requirements under the Care Act, that the model and resourcing directly support the mental health transformation agenda, in particular Shifting Settings of Care, and that Recovery approach and the principles of personalisation are embedded in the model and central to service delivery.

#### *Provided Services Review*

6.18 There are currently 13 directly provided services delivered directly by ASC, some already mid service transformation. This new initiative has the following objectives for all directly provided services:

- Safe and robust services, with effective management arrangements
- All efficiency opportunities are realised
- All service improvement opportunities realised

6.19 We have made provision for a Contract Manager and Procurement Manager through next year to work with Commissioners to develop options for the services, project manage agreed changes, and ensure that service quality is maintained through any transition.

#### *Community Equipment Review*

6.20 Community Equipment is an area of cost pressure and growth for both ASC and the Clinical Commissioning Groups, with uptake increasing for several years and an expectation is that this trend will continue. Changes in the organisation of community health and social care teams through the development of the Community Independence Service will reinforce this trend.

6.21 In order to better manage these processes, we will appoint an interim clinical project manager to work across contract management and operational management of prescribing teams. The manager will lead delivery of a plan to rationalise, standardise and simplify processes, the objective being to maximise efficiency and cost effectiveness, and control activity and costs.

### **Key Business Improvement Roles**

6.22 In addition to a combination of ASC, ICM and interim change management resourcing, we have made provision for two fixed term ASC roles that will be key to the implementation of our Commissioning strategy.

#### *Mental Health Commissioner*

6.23 The councils currently support several community-based mental health resources, but since the formation of ASC there has not been a strategic lead for this provision. There is now an urgent need to review Council-funded mental health provision across the three boroughs and to develop clear commissioning plans for the next three years. Our resource plans provide for a senior Mental Health Commissioner to lead this work.

#### *Strategic Commissioning Lead for Housing*

6.24 Appropriate housing is critical to the delivery of the ASC prevention agenda and is explicitly recognised in the Care Act, which creates new legal duties for integrated working and co-operation and places suitable housing at the centre of the customer wellbeing. The ASC Commissioning Lead for housing will drive best use of resources to deliver both in terms of integration and prevention, which is critical to future year savings targets and our overall financial position. Specifically this role will

- deliver a strategic overview of housing need, supply and development requirements for each of our customer groups
- manage ASC's relationship with housing and planning in each borough and with key housing providers, providing an expert resource on housing issues
- maintain an overview of new initiatives, lead on specific projects and provide leadership for staff involved in these developments.
- ensure a joined up approach to commissioning supported housing and housing-related support

### **IT Strategy Implementation**

6.25 We continue to manage delivery of the ASC Shared Services IT strategy, and

have made provision for the governance of this work during 2015-16. This excludes departmental ICT resources and capital investment.

## Portfolio Management

Investment 2015-16	Outcomes
£259K	Co-ordination, management and reporting of the change portfolio.

6.26 This section includes funding for resources and roles to maintain control and governance over the change portfolios. Portfolio management office roles were previously agreed in 2013.

6.27 Portfolio Management investment excludes funding for internal change delivery resources assigned to specific programmes and projects. Costs for these resources are included in the portfolio to which they are assigned.

## 7 INVESTMENT PLANS FOR 2016-2018

7.1 The strategic business case is based on delivery of our vision and service strategy over the next three years, illustrated at Appendix 1: ASC Shared Services Plan on a Page. Our work for 2016-2018 will include the following:

- Completion of the transformation of our Long term team processes and organisation, as part of the Customer Journey programme,
- Further integration and improvement in our combined service delivery with Health to improve outcomes and deliver further savings, driven through our engagement in the Better Care Fund programme and Whole Systems Integrated Care programmes,
- Implementation of a Commissioning strategy, including joint commissioning plans for Mental Health and Learning Disabilities, and changing the way we work with local providers,
- The management of large multi-year savings programmes such as Contract Savings and the Assistive Technology programme,
- In addition to the above, we anticipate that further savings will be requested, and that these will require ASC to continue to innovate and transform services, to enable us to continue to deliver services at lower operating costs.

7.2 Future year detailed plans for each year will be shared during the annual planning cycle.

## 8 EQUALITY IMPLICATIONS

8.1 Equality Impact Assessments will be completed at programme level as appropriate for component programmes of the Transformation, Efficiency Savings and Business improvement portfolios.

## 9 INFORMATION, COMMUNICATIONS AND TECHNOLOGY (ICT) IMPLICATIONS

9.1 ICT is represented in each of the programmes. ICT requirements submitted will be costed and will be subject to the annual Capital bidding cycle. Where feasible, IT funding required would be drawn from Future year provisions in this business case.

## 10 LEGAL IMPLICATIONS

10.1 The legal implications are contained within the body of the report. Implications cleared by Rhian Davies, Head of Division (Litigation and Social Care).

## 11 FINANCIAL AND RESOURCES IMPLICATIONS

11.1 A summary of resources required is included at Appendix 2. Proposed savings targets and investment contributions (calculated pro-rata to savings for each Council) are summarised below:

Revenue		2015-16	2016-17	2017-18	2018-19
<b>Savings</b>					<b>ongoing</b>
Hammersmith and Fulham	annual	6,514	6,284	5,571	-
	cumulative	6,514	12,798	18,369	18,369
Kensington and Chelsea*	annual	3,900	3,128	3,128	-
	cumulative	3,900	7,028	10,156	10,156
Westminster	annual	5,759	5,410	6,830	-
	cumulative	5,759	11,169	17,999	17,999
<b>TOTAL SAVINGS</b>	annual	16,173	14,822	15,529	
	cumulative	16,173	30,995	46,524	46,524
<b>Investment contributions</b>	<b>CFWD from 14-15</b>	<b>Drawdown of Reserves</b>			
Hammersmith and Fulham	339	833	880	744	-
Kensington and Chelsea	25	499	438	418	-
Westminster	200	737	757	913	-
<b>TOTAL INVESTMENT</b>	564	2,069	2,075	2,075	-

11.2 Implications verified by Prakash Daryanani (Prakash.Daryanani@lbhf.gov.uk)

11.3 The funding for 2015-16 can be met from a drawdown from reserves.

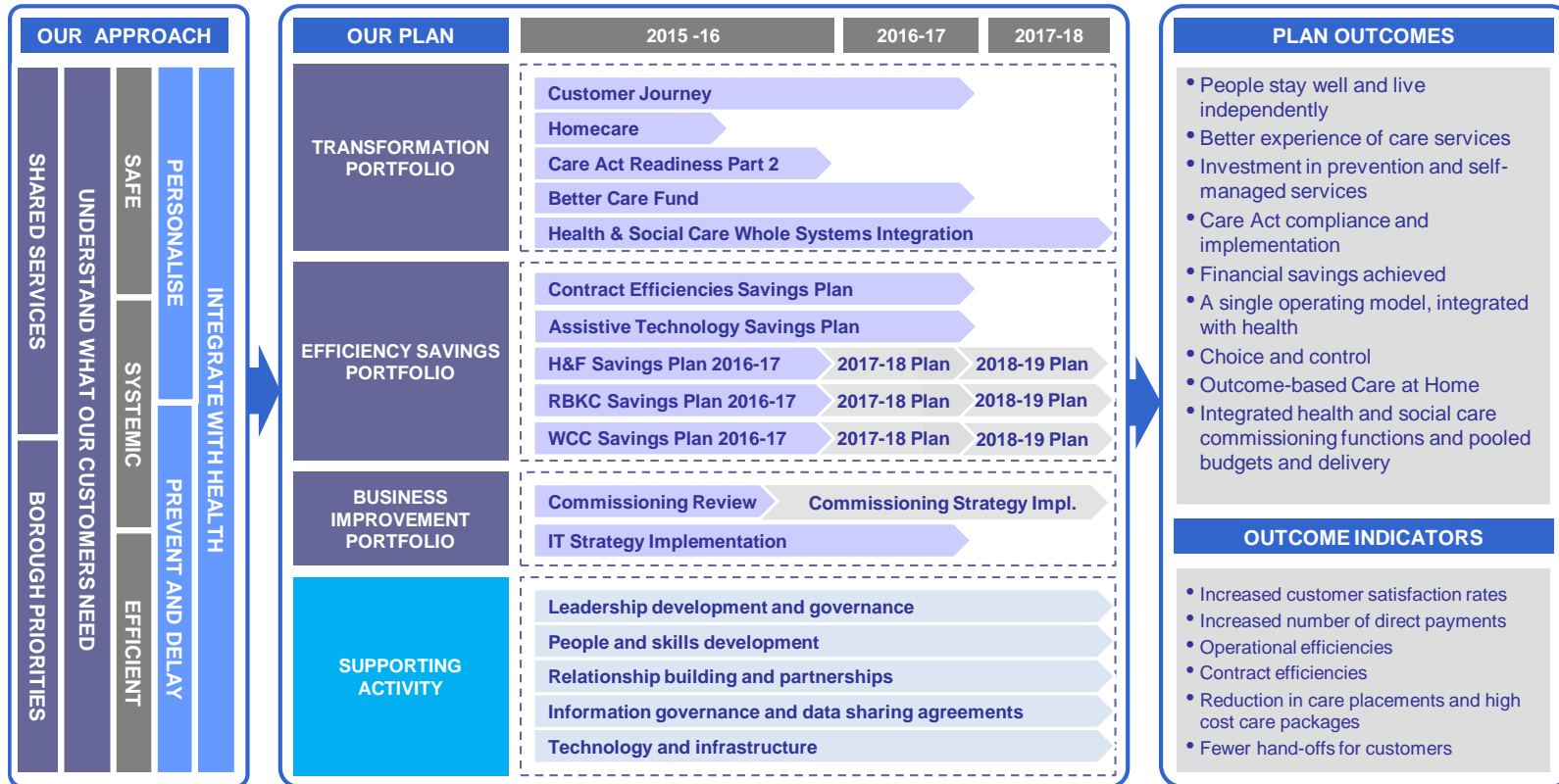
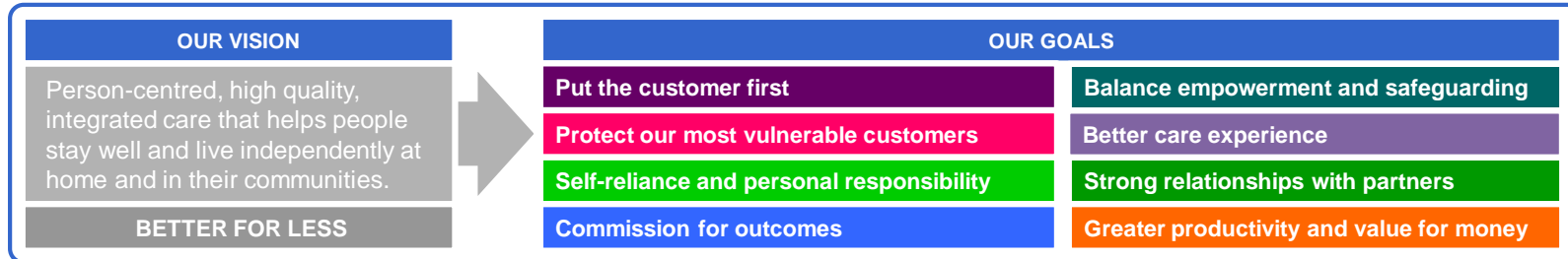
**Local Government Act 1972 (as amended) – Background papers used in the preparation of this report: None**

Director name: Liz Bruce

Director title: Executive Director, Adult Social care and Health,

Contact officer(s): Rachel Wigley

# Appendix 1 ASC Shared Service Plan on a Page





## Appendix 2: ASC Transformation 2015-2018: Resource Costs

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	2015-16	2016-17	2017-18	Total
Savings targets by year	£ 16,173	£ 14,822	£ 15,529	£ 46,524

<b>ASC Funding:</b>						
Carried forward from 2014-15	£	564		£	564	
New ASC funding requested in this business case	£	<b>2,069</b>	£	<b>2,075</b>	£	<b>2,075</b>
Total	£	<b>2,633</b>	£	<b>2,075</b>	£	<b>2,075</b>

<b>Allocation of ASC Funding:</b>								
ASC fixed term PMO staff costs	£	662	£	760	£	760	£	2,182
ASC fixed term commissioning and operational management posts	£	237	£	278	£	278	£	794
Contract resources	£	1,734	£	1,037	£	1,037	£	3,808
	£	<b>2,633</b>	£	<b>2,075</b>	£	<b>2,075</b>	£	<b>6,783</b>
Ratio of funding request to ASC savings excluding ICM (approx)		13%		14%		13%		13%

<b>Funding from other sources</b>									
Innovation and Change Management resources (ICM)	£	339	£	469	£	469	£	1,277	
Care Act funding	£	189	£	-	£	-	£	189	
Total cost of change excluding contingency	£	<b>3,160</b>	£	<b>2,544</b>	£	<b>2,544</b>	£	<b>8,248</b>	
Ratio of funding request to ASC savings, including ICM resources		15%		17%		16%		16%	
Contingency (not resourced at this stage)	15%	£	474	£	382	£	382	£	1,237
Total cost of change including contingency		£	<b>3,635</b>	£	<b>2,926</b>	£	<b>2,926</b>	£	<b>9,486</b>

<b>Staff numbers (full time equivalents)</b>				
Contractors		11	7	7
ASC Project Managers and Business Analysts		7	8	8
ICM resources		5	7	7
Total		<b>23</b>	<b>22</b>	<b>22</b>

2015 salary and contract rate values. No inflation is included for future years