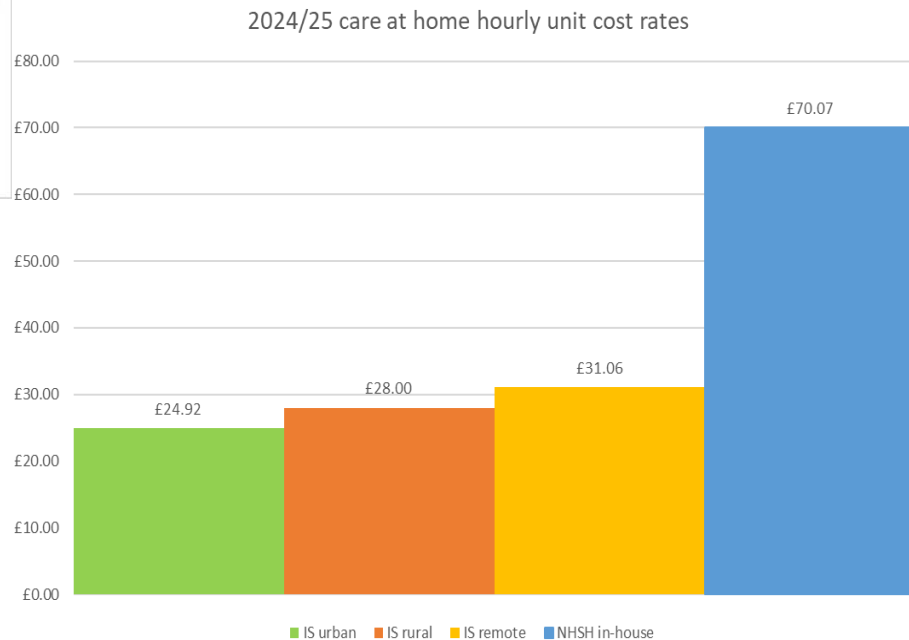
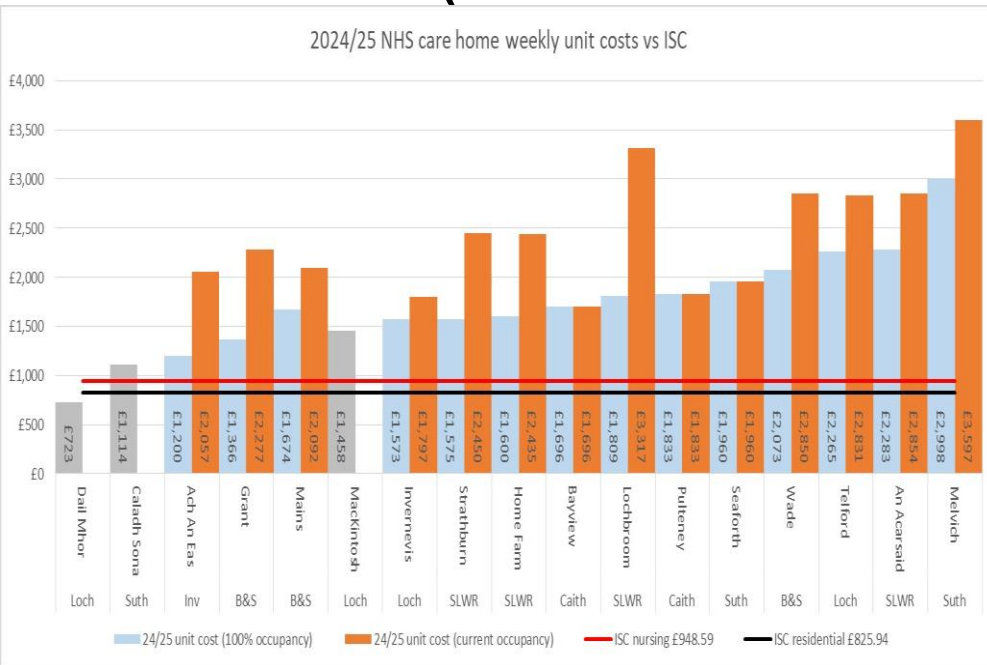


# ASC Cost Reduction Plan

Highland Health and Social Care  
Committee July 2024

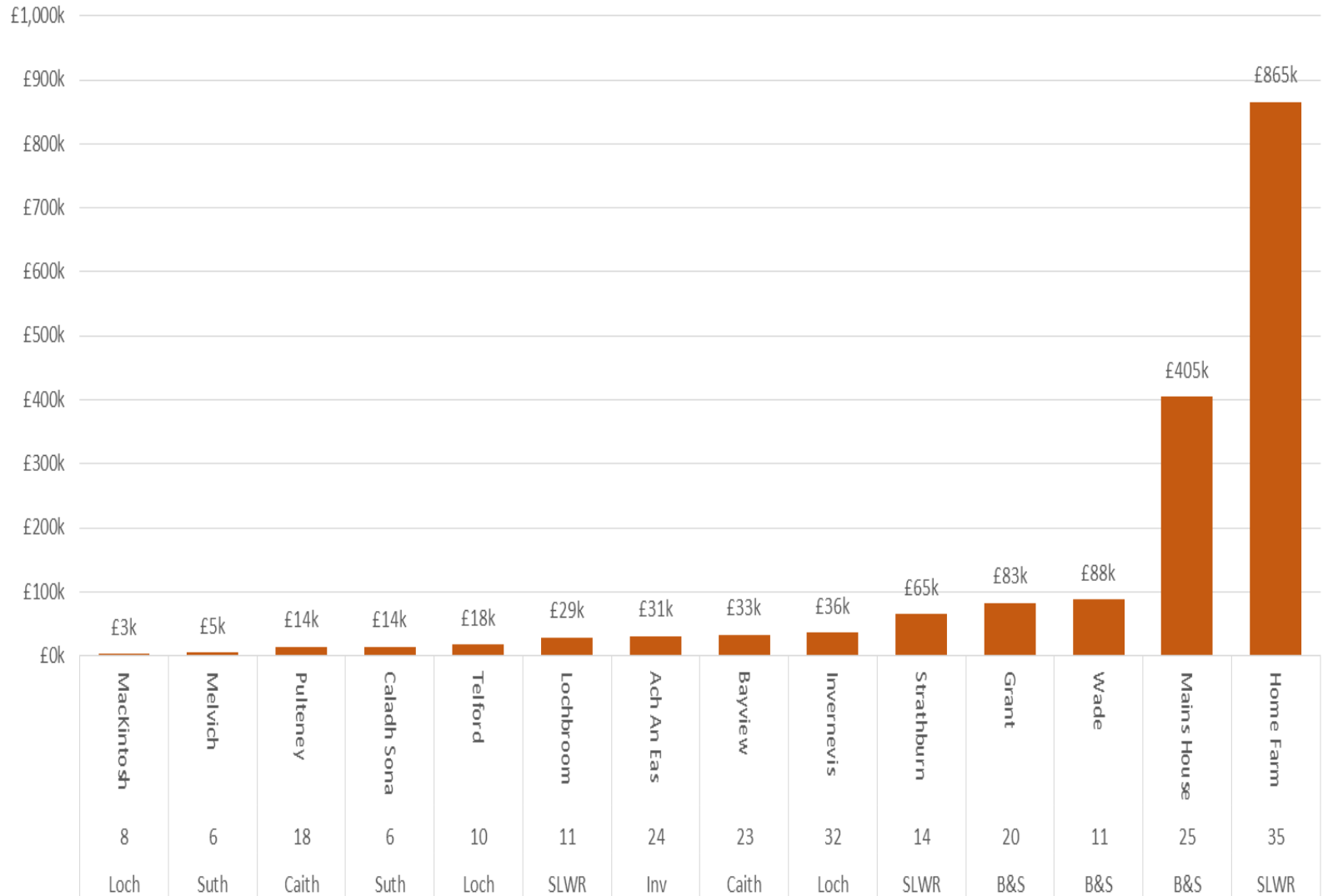
# Unit Cost Comparators (care home + care at home)



## 2023/24 NHS care home full-year effect of supplementary staffing costs (£k)

(bed numbers shown on X axis)

**£1,689k**



# 2024-25 – Value & Efficiency Targets

		<b>£ (Net)</b>
1	12.5% management, planning and leadership reduction	<b>£0.300m</b>
2	Younger Adults/Complexity Enabling collaboration efficiencies with providers/reforming commissioning approach Creating new models of support provision Developing community assets	<b>£0.510m</b>
3	Building Based Day Care Services Apply a savings target of £55k to each building based service for 24/25	<b>£0.220m</b>
4	Income Maximisation – Increased service user contributions to Care Home costs	<b>£0.900m</b>
5	Review of Option 1 and 2 efficiencies - net of independent support	<b>£0.500m</b>
6	Redesign of in-house services informed by Care Home and Care at Home Strategies High level plan in place for care homes	<b>£0.900m</b>
7	Integrated Care Teams/Business Support To utilise in year underspends from staff slippage	<b>£0.354m</b>
8	Technology Enabled Care Actions Maximising capacity/use of CM2000 & Care First Replacement (IT systems) Reducing internal costs of care provision	<b>£TBC</b>
	<b>Total</b>	<b>£3.684m</b>

# 2024-25 and beyond

		£ (Net)
1	<p>Hold all vacancies where the external sector will be the primary providers of care at home</p> <p>To only allow recruitment in areas where we have either a mix of CAH or in-house only</p>	£TBC
2	<p>Redirect all Inverness urban care at home activity to external sector</p> <p>Costs required to factor any TUPE / ongoing staffing obligations and lost income</p>	£TBC
3	<p>Re-provisioning of identified in-house care homes</p> <p>Costs required to factor any TUPE / ongoing staffing obligations and lost income</p>	£TBC
4	<p>Younger Adults/Complexity</p> <p>Enabling collaboration and efficiencies with independent support sector</p> <p>Reforming commissioning approaches</p> <p>Creating new models of support provision/developing community assets</p>	£TBC
5	<p>Corporate targets</p> <p>3% included in finance plan</p>	£TBC

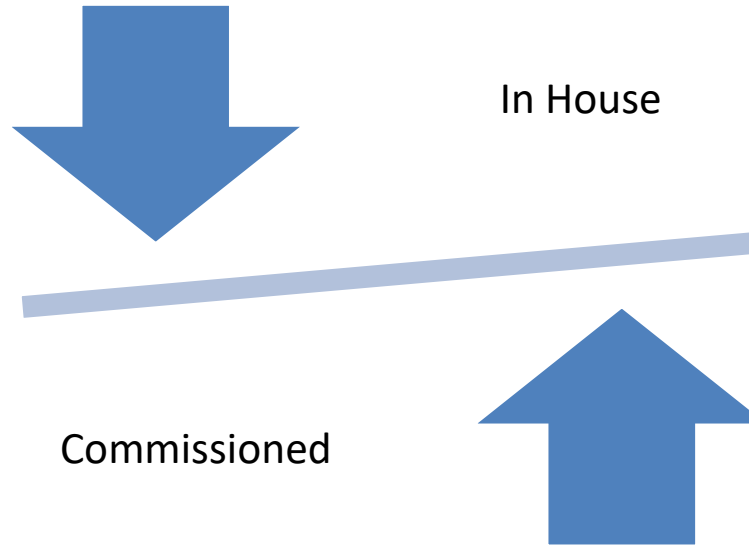
# Current out of scope/exclusions

		£ (Net)
1	<b>Non Residential Care</b> Meals at home Apetito, in house day care, meals/lunch clubs	<b>£3.2m</b>
2	<b>Younger Adult Care Homes</b> Specialist care home provision/ no internal options – all commissioned at NCHC/non standard	<b>£11.4m</b>
3*	<b>Younger Adult Centres/Support Work in-house</b> Service looking to reduce commissioned spend/activity, therefore we need remaining internal provision * Efficiency savings of £0.220m will apply to day centres	<b>£5.8m</b>
4	<b>Option 1, Direct Payments</b> Most cost effective and efficient delivery model, strategic intent to invest/grow Option 1s	<b>£13.6m</b>
5	<b>Third Sector/Finance/Other</b> Standstill position/budget savings	<b>£5.6m</b>
6	<b>Integrated Care Teams/Business Support</b> Protect front line social work/commissioning/transacting resource to redirect/make it happen	<b>£11.8m</b>
7	<b>Telecare/Carers Support</b> Ring fenced digital and telecare, prevention and support to unpaid carers protected	<b>£3.4m</b>
8	<b>Support Services/CH Sustainability</b> Support to unsustainable care homes/advocacy/carers support services	<b>£1.8m</b> <b>£56.6m</b>

# Moving Forward: Twin Track Commissioning Approach

## In-House

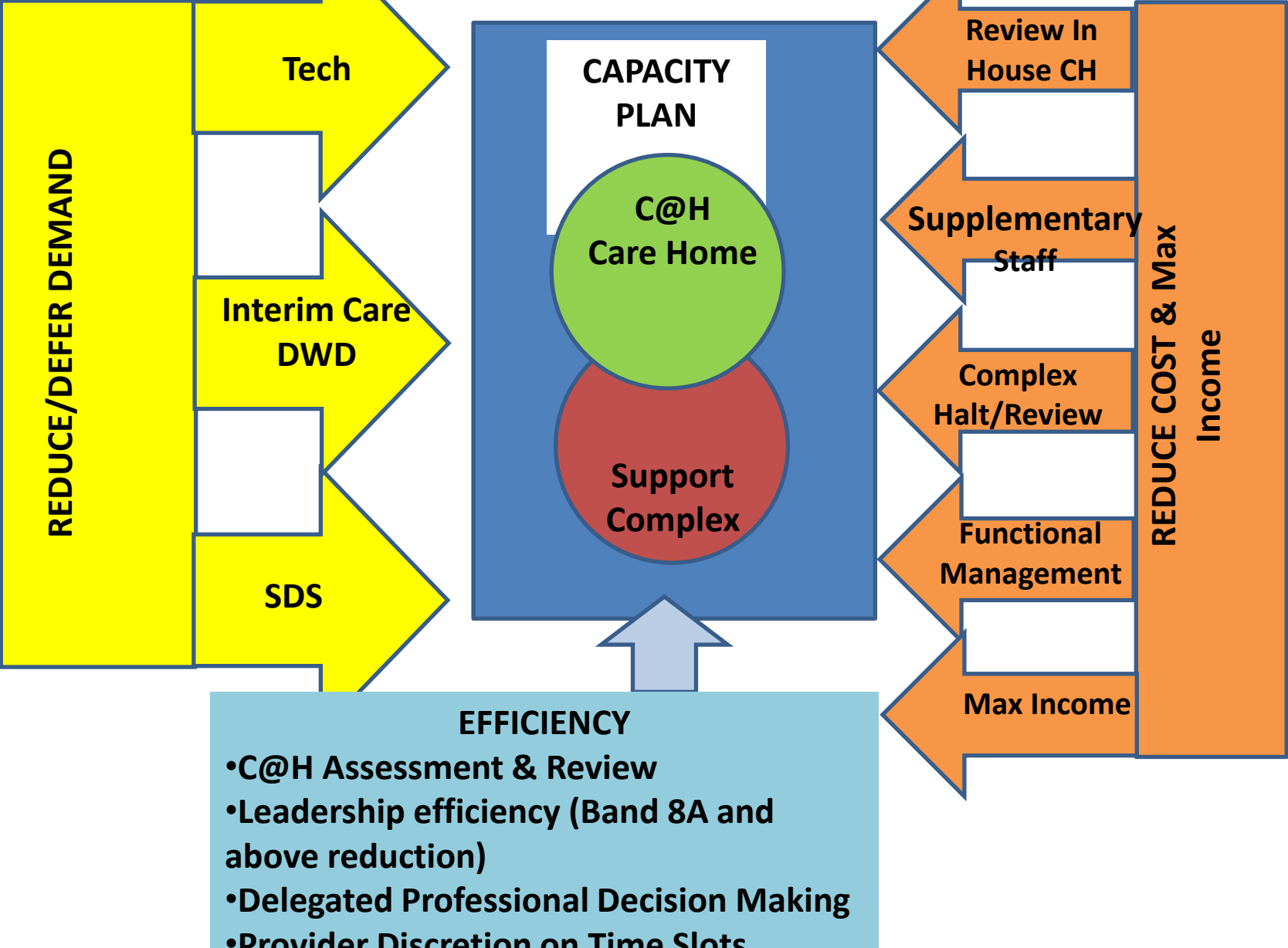
- Plan and Cost Capacity
- Contain Demand
- Review provision to ensure efficiency, safety and sustainability
- Provide high value complex provision



## Commissioned Services

- Plan and Cost Capacity
- Implement process Improvements identified with sector

# Cost Containment Map





# Market Facilitation Plan

## What Do We Need and Why

- Based on a shared understanding of need and demand, market facilitation is the process by which all partners ensure there is sufficient, appropriate range of provision to meet needs and deliver effective outcomes.
- [Strategic Plan Statutory Guidance](#), August 2023:
  - *A Market Facilitation Plan should be prepared to complement the strategic plan and support its delivery.*
  - *It should outline the approach and provide detail on how integration authorities will engage with the existing and prospective market in order to work together with agencies to put the right services and support in place.*

A MFP and commissioning plan are inextricably linked.  
The MFP is the vehicle for delivery of the commissioning plan.

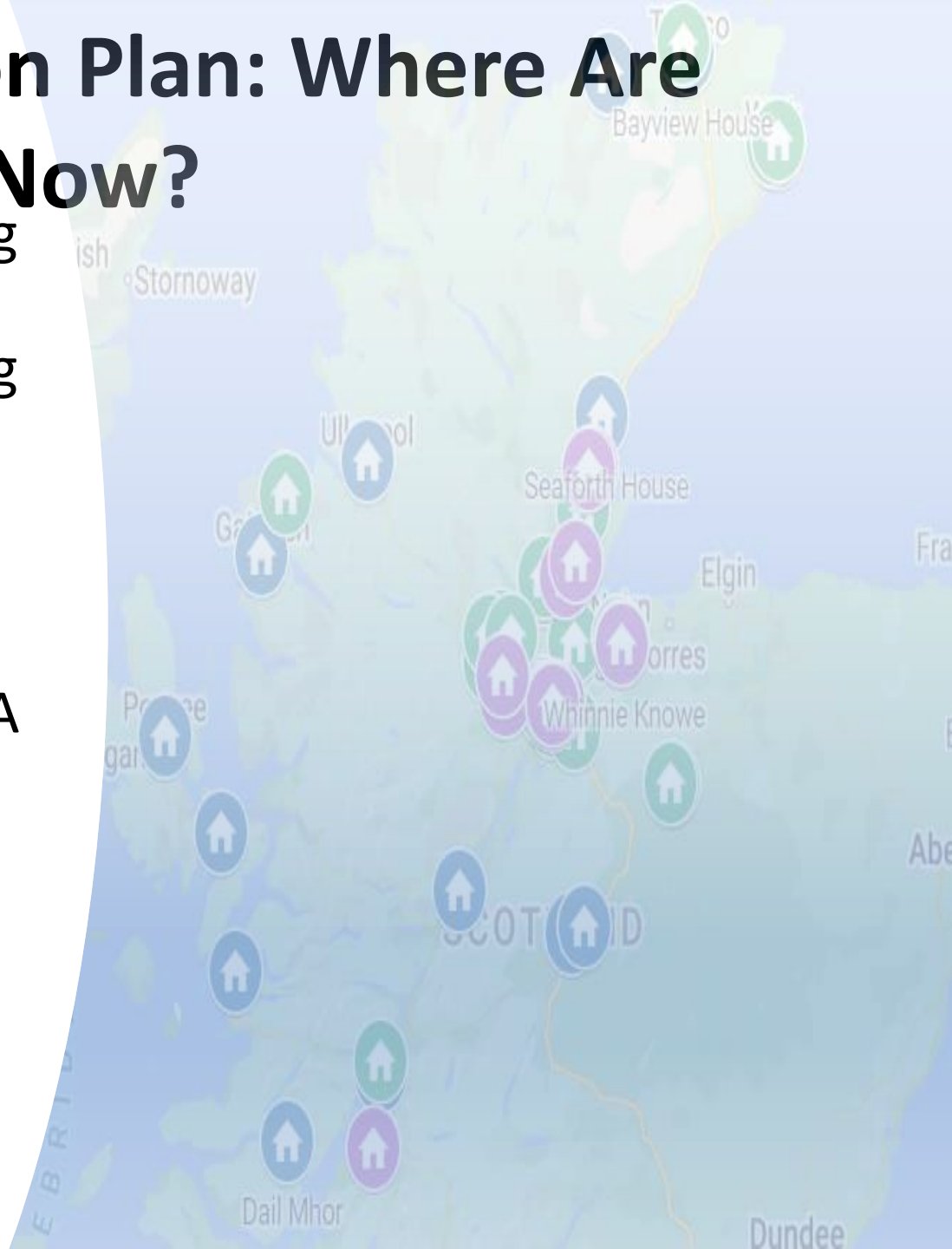
- Commissioning plan = what
- MFP = how

# What Needs To Be Addressed

- What is the demand?
- What are the requirements?
  - What do we need?
  - Where do we need it?
  - How much of it do we need?
  - What can we afford?
  - What models of provision do we need?
- How are we going to obtain and secure it = market facilitation
- What do we understand of the market?
  - Capability – is the market capable of meeting the requirements?
  - Capacity – are there enough service providers with sufficient capacity to deliver the services?
  - Maturity – is the market ready to deliver what is required?
  - Competitiveness – what is the anticipated level of interest?
  - Barriers – identify barriers to involvement of potential providers in the procurement process
  - Culture – will delivery require cultural change?
  - Market Structure – will delivery require service providers to work together in a new way?
  - Market Security – how will future arrangements impact on the security of the market and / or services?
- What market structuring is required?
- What market intervention is required?

# Market Facilitation Plan: Where Are We Now?

- ✓ High level commissioning intentions
- ✓ High level commissioning priorities
- ✓ Good sector relations + market understanding
- JSNA not available
- JSP not informed by JSNA
- No specifics of what is needed, where and in what quantities
- No wider engagement
- No clear governance



# High Level Commissioning Intentions

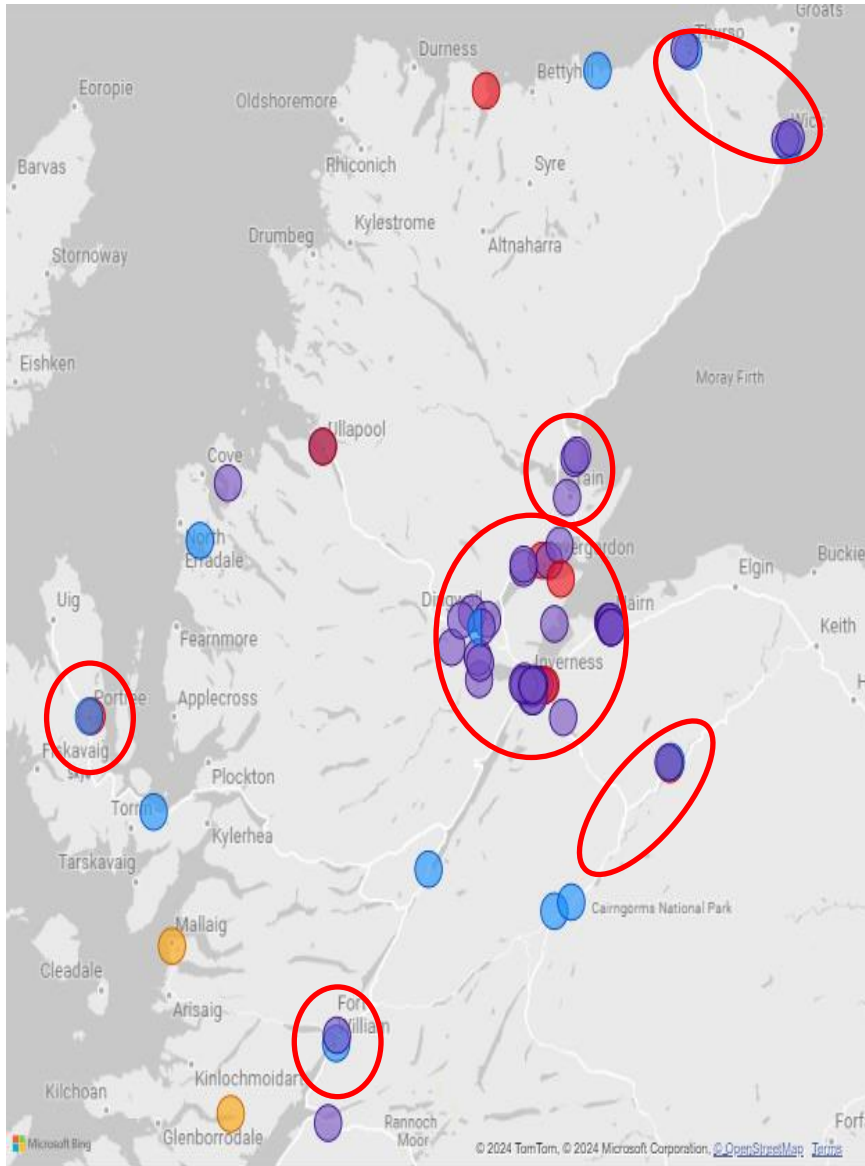
## Care Homes

1. Quality and sustainable services
2. Transition from in house delivery
3. Support sector stability
4. Develop new facilities
5. Support small providers with transition / succession – medium / long term
6. Alternative models
7. Provide for individuals with complex needs
8. Quality and improvement support
9. Support sustaining placements
10. Workforce development plan + manager support

## Care at Home

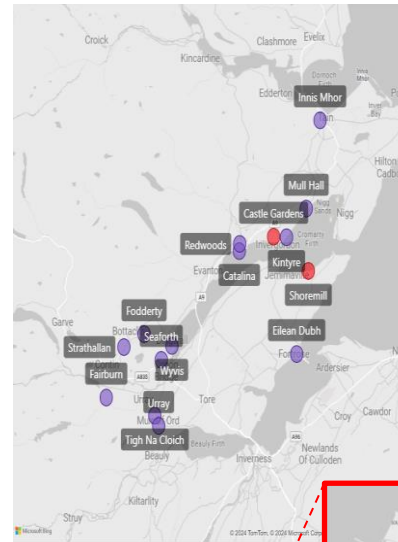
1. Quality and sustainable services
2. Transition from in house in urban areas
3. Support sector stability
4. Locality commissioning plan
5. Increase capacity
6. Implement agreed sector proposals
7. Alternative models – best use of carer resources
8. Quality and improvement support
9. Support sustaining packages
10. Workforce development plan and manager support

# Care Homes – Current Status + Strategically Important Areas

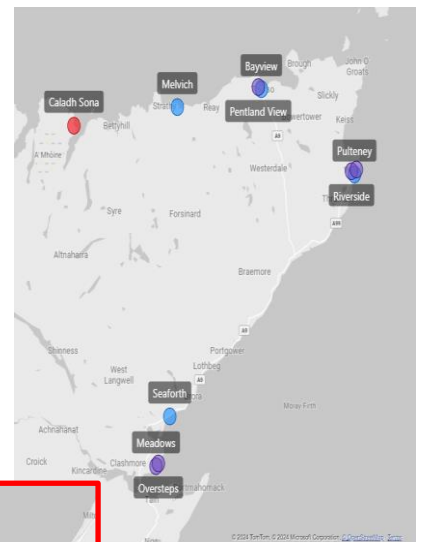


● closed ● closed temporarily ● independent ● NHS

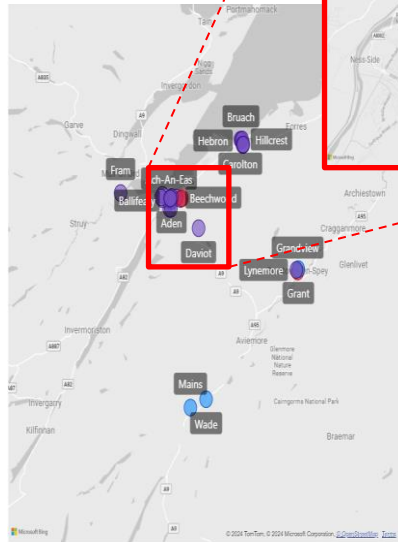
## Mid



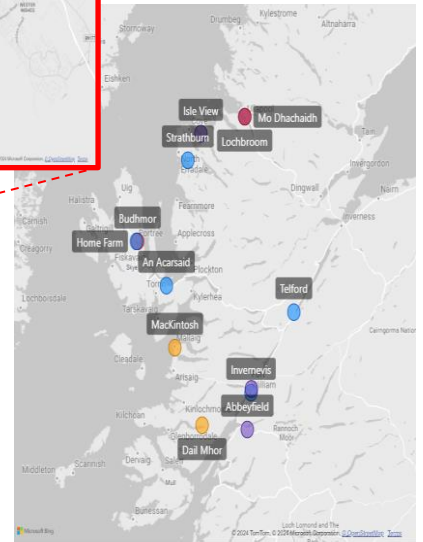
## North



## South



## West



# Links to Quality Improvement Work

- CM2000 scheduling tool
- CareFirst replacement
- VEAG and STAG work streams:
  - Supplementary Staffing
  - TARA Administration and Business Support Review
  - Whole system redesign including:
    - Home is Best redesigns in Inverness and Caithness