How Realistic is it to Deliver Efficiency Savings in Social Care?

- How do you define costs
- Practical and political issues around cost cutting
- Delivering change that lasts

How Realistic is it to Deliver Efficiency Savings in Social Care?

- For UNISON – basic question – How to save the in-house service?
- For management – how to get it cheaper - Internal Services Review
- Home Support Service – 900 clients and 360 staff
- £7.25M in 2009-10 – shrunk by half in 6 years because of creation of Assessment and Enablement service. A further £1M minimum is to come out in 2011-12.

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The Internal Services Review –

- Blue sky thinking on what a service built from scratch might look like?
- What would a reduced service look like?
- Brain dump for all money saving options

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Calculating Costs – 4 basic steps

Resource inputs are:

- Described
- Activities and units of measurement identified
- Cost implications estimated
- Unit costs calculated

Either top down – divide total by units of activity

Or bottom up – identify each activity and how much it costs – as in this case

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Cost Issues

- Controllable versus non-controllable
- Infra structure costs may be unaffected even after cuts.
- Structure of service affects costs especially when different providers are out of balance
- Standard cost versus latest cost
- Small units affect costs
- Productivity

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The practical politics

- 60% is provided by outsiders already
- Oxford Care Partnership for residential care already exists
- Pooled budgets (Section 75) is already large - £250M+
- Nothing radical is the political message
- Elected members like the service

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Change that lasts

- Start from where you are
- Assess your strengths and use them
- Be prepared to adjust the service (look at the age profile here)
- What is the market doing?
- Segment the market – where can you prosper
- Don’t compete on costs

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What needs to be done?

- Better communication especially with the third sector
- More market management
- More active partnership with health bodies

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Their Solution

- Drive down costs to try to match private providers
- Localise the service
- Drastically reduce numbers of short care visits