

Savings Under Development1. Home First

The proposed development of Home First services across the county aims to care for people at home wherever possible to prevent hospital admissions and ensure timely discharge from hospital. If people can be cared for and provided reablement at home rather than being admitted to a hospital bed, or provided with a reablement bed on discharge, the number of costly long term care admissions and long term community packages should be reduced. Savings are still to be identified and will be through managing demand, hence reducing growth requirements in future MTFS's.

2. Place to Live

The most significant cost in Adult Social Care is for residential placements. A programme of work has commenced to co-ordinate the Council's Accommodation Strategies, the plans for capital investment and savings related to developing alternative accommodation options. The first project is the development of Brookfield in Great Glen into 20 units for working age adults with learning disabilities. This will cost approximately £2.5m and will deliver annual social care savings of £50k pa plus net rental income of £150k pa.

Further work has been undertaken to map the future requirements for accommodation based support in each locality for 2019 to 2037.

Investment options being investigated include:

- Direct financial investment by the Council to develop more capacity in the sector, e.g. develop appropriate accommodation support for service users.
- A partnership with a care and/or accommodation provider could both increase capacity to deliver a more sustainable market whilst at the same time reduce average care costs.

Initial market testing on the options is currently taking place.

As schemes are developed they will be included in future MTFS's, this could be as standalone items or enablers for the operating model work described below.

3. Schools Offer

There are a number of Public Health services currently delivered to schools including young person's physical activity as well as various specialist training elements. The department is exploring the option of moving these to a traded service model. Work is underway to identify which strands of the delivery could be included in such an offer as well as identifying an aligned date for possible transition.

4. Corporate Asset Investment Fund

In May 2014, the Cabinet approved the establishment of the Corporate Asset Investment Fund to be used to purchase commercial properties and land assets. The Council already held an existing stock of Industrial Properties and County Farms, and in 2017/18 have invested in Office Developments at Embankment House, Nottingham and Lichfield South, Lichfield. The benefits of making these investments will not only be to the local economy, but also generate additional ongoing revenue stream (for example as rental income from farms or industrial units) or future capital receipts in excess of what is required for the initial investment. The financial benefit of these established assets has been included in the MTFS as a saving.

Capital funding is available to make further investments to deliver additional savings. The majority of investment is expected to come from the development of sites, which is a more uncertain undertaking. Hence they are still included as a Savings Under Development.

A further financial benefit is likely to be the capital appreciation that would be realised if an asset was sold. On the basis of a total fund of £200m by 2022/23 there is the potential to increase the current £4m p.a. revenue contribution in the MTFS by £4m p.a. Income will be included in the MTFS when investments returns have a good degree of certainty.

5. Commercialism

Leicestershire Traded Services (LTS) was created by bringing services in Corporate Resources together creating a new brand and introducing a commercial approach involving sales, marketing and regular financial reporting. LTS has a target to increase the contribution to the revenue budget by £2m p.a. Activity is now rolling out across the whole Authority in order to identify and enhance current trading activity and identify potential new areas. Support is being given in two pilot areas; Services to Schools and Highways Development as well as identifying any potential commercial opportunities within the Children's Innovation Partnership. The intention is to increase the contribution from trading activity further.

6. Efficiency & Productivity Programme (Potential additional savings)

A saving of £8m has been included in the MTFS for an Efficiency & Productivity Programme. This work will span all of the departments, but is likely to approach the delivery of savings in a variety of ways. The first programme of work is expected to be the development of a new operating model for adult social care. This has the potential to deliver the majority of savings included in the MTFS. Further savings are expected to be developed through the work of the Innovation Partner in the Children and Families Service and a series of challenge programmes facilitated by the Transformation Unit in other departments.

An outline of the progress of different departments is set out below.

C&FS – Children's Innovation Partnership to design and deliver support for vulnerable children and families to provide support to those at the edge of care and sufficiency for Looked After Children. A contract has been awarded to Barnardo's and will commence in December 2018.

A&C - work to develop a new operating model for adult social care services has commenced with the process of procuring a strategic partner and preferred supplier to be announced in February.

The new target operating model will deliver enhanced outcomes for service users and improved ways of working, ensuring that the Department operates as effectively and efficiently as possible. This will help to safeguard the sustainability of services for the future at a time of changing need and increasing demand for adult social care. These benefits are expected to be above those delivered by the Department's existing transformation activities.

E&T – Through a Strategic Challenge Programme the Department will continue to seek ways in which service efficiency can be improved. Workshops have been undertaken with the Transformation Unit and staff in Highways Delivery to consider what options might be available. In total there are over 100 specific ideas to be considered. Many will drop off after initial consideration, but further business analysis and modelling will be undertaken around the most promising ideas. This approach will be extended to cover other areas of the Department and it is expected that this will deliver additional savings/efficiencies that can be included in future MTFS's.

Corporate Resources and other Departments – The existing Fit for the Future programme has similar objectives to the Efficiency and Productivity programme. The potential to build on Fit for the Future will be explored. ICT have commended work to explore the potential to reduce the cost base.

The Transformation Unit will work with services to identify other opportunities.

7. Customer Service Centre

The Customer Service Centre (CSC) has been established since 2007 with additional services migrating into the CSC in 2009 and 2010. Within the CSC there are approximately 100 staff engaged in managing customer contacts across a number of channels, the centre also manages a large amount of fulfilment activity. The current technology is ageing, the Oracle Customer Relationship Management (CRM) system will be out of support in 2018 and the telephony system is also due for renewal. This will provide the opportunity to update the CSC operating practices and processes that have been built around the existing technology. Additionally, over the years there has been an expansion of service provision by the CSC that has resulted in extra work being absorbed without the appropriate resource. There is now an opportunity to deliver a transformation programme that not only replaces the technology but will:

- Improve the customer experience,
- Reduce demand by better understanding customer needs
- Resolve a higher proportion of contacts at the first contact
- Automate and digitise processes to reduce manual handling and error.

A phased programme of transformation affecting people, systems and practices is being planned. The programme will commence in spring 2019 and in time, this will lead to a change in, beliefs, culture and mind-sets. The first phase of the programme will focus on improving the end-to-end processes that are currently within the CSC, this will be followed by a focus on the improving end to end customer journeys for services that are currently outside of the CSC.

Process improvement, automation and digitisation will lead not only to an improved customer experience but also provide savings opportunities from improved productivity, reduction in handling and errors as well as a greater use of self service.

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