



Cost Reduction—Healthcare System

IC CUBED SUCCESSFULLY WORKED WITH THE HEALTH & SOCIAL SERVICES DEPARTMENT OF A BRITISH CROWN DEPENDENCY TO IDENTIFY OPPORTUNITIES TO SAFELY REDUCE COSTS ACROSS THE FOOTPRINT OF THE SERVICE BEING DELIVERED

Background

The Health and Social Services Department of a British Crown Dependency had previously operated a programme to deliver annual recurrent savings in the region of 1-2% of its annual spend. The programme had been successful in delivering these annual savings, however, an element of these had been delivered on a non-recurrent basis. Going in to the financial year 2018, 39% of the savings total required for the year related to the accumulation of the brought forward non-recurrent element from previous years. This, together with the fact that the Department had operated a savings programme for a number of years, meant that the savings programme was becoming more challenging and internal staff were struggling to identify sufficient savings opportunities.

Solution

In November 2017 IC Cubed were engaged to perform a review of the department in order to verify any savings projects which had been identified for 2018 and to work with the service lines to identify other opportunities.

Our multidisciplinary team performed a review covering the following services in order to identify opportunities where costs could be reduced without affecting patient safety:

- Hospital Services;
- Community Services;
- Ambulance Services;
- Social Services; and
- Corporate Services.

Our initial review identified that less than £100k of the savings that had previously been identified by the department had a realistic chance of being delivered. As a result of this the main focus of our work was to identify new opportunities and to agree these and gain buy in to them from the Heads of Services.

Outcome

The Department had a savings target of £6.2m for 2018, our review identified opportunities valued at between £8.7m and £12.4m. All opportunities had been agreed with the Heads of Services prior to being included within our report and the final report was agreed and signed off by the Director of Finance & Investment and Deputy CEO following consultation with Heads of Services.



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