

21 December 2011		ITEM 4
Health and Wellbeing Overview & Scrutiny Committee		
BUDGET 2012/13 – GROWTH AND SAVINGS PROPOSALS		
Portfolio Holders: All		
Wards and communities affected: All	Key Decision: No	
Accountable Head of Service: Sean Clark, Head of Corporate Finance		
Accountable Director: Martin Hone, Director of Finance & Corporate Governance		
This report is Public		
Purpose of Report: To invite the Committee to note and review proposals for budget growth and savings in 2012/13 and future years.		

EXECUTIVE SUMMARY

This report sets out budget growth and savings proposals for 2012/13 and future years, and provides information following the workshop sessions undertaken by each Committee on 22nd November 2011.

The appendices to the report detail the growth and savings proposals for each Committee to be considered as part of the session to be held at a later date. The proposals include amendments requested by the scrutiny committees, and the report includes the follow up to questions raised at the workshop sessions.

1. RECOMMENDATIONS:

1.1 That the Committee notes and reviews the proposals for budget growth and savings in 2012/13 and future years set out in the appendices to this report.

2. INTRODUCTION AND BACKGROUND:

2.1 The Council's Medium Term Financial Strategy highlights a reduction in government grant funding through the Revenue Support Grant and Business Rates redistribution of £3.317m in 2012/13 which is consistent with the two year settlement announced for 2011/12. In addition, inflationary cost pressures of £2.325m have also been

identified. This results in a reduction in spending power of £5.642m in overall terms when comparing the 2012/13 budget to the current year.

- 2.2 The specific proposals for growth and savings for each Service and Directorate were worked into business cases and were considered during the informal Star Chamber process between July and September 2011 in order to evaluate the potential impact on corporate priorities. Now that the Star Chamber exercise has been concluded, these proposals are brought forward for consideration by Cabinet and the relevant Overview & Scrutiny Committees.
- 2.3 The cases show potential growth and savings for 2012/13 and for future years. Each business case sets the context and implications of the proposals against service-specific and Council-wide priorities. The impacts of the proposals are also addressed in terms of the public, service performance, staff and equalities. In addition, consideration has been given to the practicalities of implementing the changes in time to deliver full-year savings in 2012/13.

3. ISSUES AND/OR OPTIONS:

- 3.1 At the workshop sessions held on 22nd November 2011, each Committee were invited to scrutinise the growth and savings proposals presented for the 2012/13 base budget.
- 3.2 The officers response to the specific queries raised are summarised in the table below, and further details are provided in Appendix 3:

CODE	QUERY	RESPONSE	Committee
HWBG3 – Additional Demands on Homeless Service	More information and explanation required on this issue.	Detailed information is contained within the submitted proposal within Appendix 1. Further information will be provided by Officers at the meeting	Health and Well-being
HWBG 4 – Statutory Private Sector Housing Duties	More information and explanation required on this issue.	Detailed information is contained within the submitted proposal within Appendix 1. Further information will be provided by Officers at the meeting	Health and Well-being

- 3.3 The Scrutiny exercise must be completed by 22 December 2011 so that the findings can be included in a report to Cabinet on 11 January 2012.

4. CONSULTATION

- 4.1 Regular meetings of Directors' Board, the Leadership Group and the wider Council management group have been held since the budget exercise commenced in July. There have also been meetings with the portfolio holders and the Conservative Group has been briefed. A series of staff road shows were held in July and August and there have been discussions with partners. Consultation with the trade unions and staff potentially affected by the planned changes is currently taking place.

5. IMPACT ON CORPORATE POLICIES, PRIORITIES, PERFORMANCE AND COMMUNITY IMPACT

- 5.1 The growth and savings options set out in the appendices will impact on a wide variety of policies, priorities, performance and sections of the community.

6. IMPLICATIONS

6.1 Financial

Implications verified by: **Martin Hone**
Telephone and email: **01375 652152**
mhone@thurrock.gov.uk

The financial implications have been clearly set out throughout the body of the report and the implications of savings options set out in the appendices.

6.2 Legal

Implications verified by: **David Lawson**
Telephone and email: **01375 652087**
dlawson@thurrock.gov.uk

Local authorities are under an explicit duty to ensure that their financial management is adequate and effective and that they have a sound system of internal control and management of financial risk. This budget report contributes to that requirement although specific legal advice may be required on the detailed implementation of any agreed savings options.

6.3 Diversity and Equality

Implications verified by: **Samson DeAlyn**
Telephone and email: **01375 652472**
sdealyn@thurrock.gov.uk

This is a set of wide ranging and far reaching proposals, a significant number of which may have an impact on staff and residents. Each of these savings proposals will need to undergo an Equality Impact Assessment to identify potential adverse impacts on any groups.

As these proposals are going through the formal approval and scrutiny process, they will need the Equality Impact Assessment evidence to be presented for each item.

The Equality Act also came into force this October and this has raised the bar in terms of public sector equality duties for example a proposed requirement to consider socio-economic impact before implementing any policy. Whilst this requirement is subject to implementation at a later stage the Council needs to ensure that appropriate consideration is given to all new equality requirements in the policy and decision making process.

7. CONCLUSION

- 7.1 The budget plans are designed to ensure that a balanced financial position is achieved over the medium term while having regard to the Council's priorities, service delivery, service users and the wider public, staff and issues of equality.

BACKGROUND PAPERS USED IN PREPARING THIS REPORT:

- Various budget working papers held in Finance & Corporate Governance Directorate

APPENDICES TO THIS REPORT:

- Appendix 1 – Growth and Savings Proposals - Health and Well-being Overview and Scrutiny Committee

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Appendix 1 – Growth and Savings Proposals - Health and Wellbeing

MTFF - Growth and Savings		2012/13	2013/14	2014/15	2015/16
Reference	<u>Health and Wellbeing</u>	£000	£000	£000	£000
HWBG 1	- CWB Demographic Growth (net of reablement income)	1,000	1,000	1,000	1,000
HWBG 2	- Growth Linked to PCT Reablement Income	700	(700)	0	0
HWBG 3	- Additional Demands on Homeless Service	250	(50)	0	0
HWBG 4	- Statutory Private Sector Housing duties	125	0	0	0
HWBG 5	- Theatre Operations	78	0	0	0
HWBG 6	- Community Cohesion	27	0	0	0
		3,180	450	1,000	1,000
HWBS 1	- End of subsidy to the HRA in relation former Supporting People Grant	(575)	0	0	0
HWBS 2	- ASC Review of Residential Schemes for Learning Disabilities	(327)	0	0	0
HWBS 3	- ASC Review of Pricing Base	(200)	0	0	0
HWBS 4	- ASC Use of Health Reablement Funding	(100)	0	0	0
HWBS 5	- Savings made within Collins House	(70)	0	0	0
HWBS 6	- ASC Review of Management Levels	(60)	0	0	0
HWBS 7	- ASC Provider Management Review	(50)	0	0	0
HWBS 8	- ASC Restructuring	(50)	0	0	0
HWBS 9	- ASC Savings from Previous Director's CWB Budget	(15)	0	0	0
HWBS 9	- ASC Contingency Budget	(30)	0	0	0
HWBS 9	- ASC Commissioning Team	(10)	0	0	0
HWBS 9	- ASC Grounds Maintenance	(10)	0	0	0
HWBS 9	- ASC Equipment in Council Properties to be Funded by HRA	(50)	0	0	0
HWBS 9	- ASC Training Fund	(20)	0	0	0
		(1,567)	0	0	0

2012/13 Budget – Growth Proposal

Service: CWB – Adult Social Care

Proposal Number: HWBG 1

Description of Proposal : £ 2m demographic and demand pressures

This figure represents officers analysis of the funding required for demographic, demand and complexity growth in the Adult Social Care external placements budget next year. It represents approximately a 4% growth on our external placements budget – which is at the low end of actual growth over the past three years and will require exceptionally tight budget management via strict application of our eligibility criteria and ensuring we are getting value for money from our providers.

Detailed below is a more in depth analysis of growth in numbers of placements and costs of those placements

The placements are where people meet either CRITICAL or SUBSTANTIAL on our eligibility criteria and where the Council has a statutory duty to commission or provide a service.

The analysis is based on growth in demography; analysis of the likely future costs of placements; complexity of caseloads and the numbers of young people coming through transition.

Client Group	2007/08 Numbers	2011/12 Numbers	2007/08 Spend	2011/12 Spend
Older people (Residential)	411 (placements)	423	£ 8.9m	£ 10.1m
Older people (Domiciliary care)	300,000 + (hours)	300,000+	£3.1m	£ 3.9m
Older people (Direct Payments)	23 (individuals)	81	£ 140k	£ 390k
Learning Disabilities (Residential)	138 (placements)	116	£ 6.4m	£ 6.8m
Learning Disabilities (Domiciliary care)	24,000 + (hours)	24,000+	£300k	£ 270k
Learning Disabilities (Direct Payments)	44 (individuals)	90	£ 240k	£ 800k
Mental Health	17	24	£ 460k	£ 1.17m

(Residential) Mental Health (Domiciliary care)	(placements) 25 (hours)	21,000	£ 300	£ 245k
Mental Health (Direct Payments)	5 (individuals)	14	£ 20k	£ 86k
Physical disabilities (Residential)	30 (placements)	24	£ 970k	£ 1.2m
Physical disabilities (Domiciliary care)	91,000 (hours)	52,000	£ 440k	£ 720k
Physical Disabilities (Direct Payments)	58 (individuals)	113	£ 434k	£ 1.16m
Total			£ 21,704k	£ 26,841k

There are some very clear trends that arise from this analysis :

- a. Expenditure has arisen by over £ 5m in this three year period – that equates to approximately a 7% rise each year;
- b. Only in the year 2008/09 have we offered any uplift to our providers so for the years 2009/10 and 2011/12 (and for the 2011/12) we offered no uplift – so these are not inflationary pressures from existing placements;
- c. Numbers overall have only slightly gone up but expenditure has increased at a higher rate – this reflects the fact that the case mix has shifted and we are providing and commissioning care for people with more complex needs – especially for those with dementia, high personal care needs (where double handed support is required), younger adults with autism and more complex packages allowing people to remain in their own homes for longer;
- d. The numbers of mental health placements have gone up which is common for most local authorities. The exact reason for this is not clear although it may be related to a strong push to get people out of hospital quicker;
- e. Finally the number of choosing to take their care via a Direct Payment has gone up.

Proposed Growth

Proposed Growth in 2012/13	Proposed Growth in 2012/13 FTE Staff	Proposed Growth in full year	Proposed Growth in full year FTE Staff -
£ 2m		£1m	

	2012/13 £'000s	Full Year £'000s
People		
Property		
Third Party		
Infrastructure/Kit		

Base Budget 2011/12

	£'000s
Expenditure	
Employees	
Other Direct Running Costs (Premises, Transport and Supplies)	
Third Party Payments	26,682
Transfer Payments	1,617
Capital Financing Costs	
Support Services Costs	
Gross Expenditure	28,299
Income	
Sales, Fees and Charges	6,608
Grant and External Contributions	
Support Services Income	
Gross Income	6,608
Net Expenditure	
Base Budget 2011/12 Full time Equivalent Staff	21,691

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	£ 1m
Savings approved in the 2011/12 Base Budget	900

Impact of Proposal on public / services	See above, demographic analysis.
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Impact of Proposal on performance	This is a statutory duty on the local authority.
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Impact of Proposal on staff	N/A – all external providers
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Practical requirements regarding implementation and timetable	FYE
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Equalities Impact	There is a statutory duty on the local authority to undertake an assessment and then to provide or commission a service where an identified need has been assessed as required against the published eligibility criteria for the local authority.
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2012/13 Budget – Growth Proposal

Service: People Services
Proposal Number: HWBG 2

Description of Proposal :

Growth linked to PCT reablement income £ 700k

This package of service developments is funded entirely by the Primary Care Trust but as it appears on our MTFs is being reported to members.

This was part of the Comprehensive Spending Review and is intended to promote joint working across health and social care and invest in reablement projects to prevent people having to enter into long term care.

The specific projects this supports :

1. Increased capacity with the hospital social work team;
2. The development of the interim beds at Collins House;
3. The development of the crisis support service;
4. The expansion of our telecare service.
5. The appointment of our Intermediate Care co-ordinators.

Proposed Saving

Proposed Growth in 2012/13	Proposed Growth in 2012/13 FTE Staff	Proposed Growth in full year	Proposed Growth in full year FTE Staff -
£ 700k		£ 700k	

	2012/13 £'000s	Full Year £'000s
People		
Property		
Third Party		
Infrastructure/Kit		

Base Budget 2011/12 – New Budget

	£'000s
Expenditure	
Employees	
Other Direct Running Costs (Premises, Transport and Supplies)	
Third Party Payments	
Transfer Payments	
Capital Financing Costs	
Support Services Costs	
Gross Expenditure	
Income	
Sales, Fees and Charges	
Grant and External Contributions	
Support Services Income	
Gross Income	
Net Expenditure	
Base Budget 2011/12 Full time Equivalent Staff	

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	
Savings approved in the 2011/12 Base Budget	

Impact of Proposal on public / services	This will increase our capacity to provide reablement services, reduce delays in people coming out of acute hospital and expand the telecare service we can offer.
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Impact of Proposal on performance	Delayed numbers of DTOC Increased numbers in reablement Reduced numbers in residential care
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Impact of Proposal on staff	None
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Practical requirements regarding implementation and timetable	In place by 1.10.11
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Equalities Impact	These services are targeted at vulnerable adults and will allow people to stay in their home for longer and provide long term support for carers.
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2012/13 Budget - Growth Proposal

Service: Housing Services

Proposal Number: HWBG 3

Description of Proposal

Increase in Homelessness Demographic and service delivery costs
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Proposed Growth

Proposed Growth in 2012/13	Proposed Growth in 2012/13
£'000s	FTE Staff
250	-

	2012/13 £'000s	Full Year £'000s
People	-	-
Property	-	-
Third Party		
Infrastructure/Kit		

HG255	£'000s
Expenditure	
Employees	182
Other Direct Running Costs (Premises, Transport and Supplies)	305
Third Party Payments	
Transfer Payments	
Capital Financing Costs	
Support Services Costs	56
Gross Expenditure	543
Income	
Sales, Fees and Charges	
Grant and External Contributions	(97)
Support Services Income	
Gross Income	(97)
Net Expenditure	446
Base Budget 2011/12 Full time Equivalent Staff	

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	20
Savings approved in the 2011/12 Base Budget	0

Impact of Proposal on public / services	<p>Homelessness acceptances across the country, (where a homeless duty is accepted by a local authority) are continuing to rise with the past quarter showing a 17% increase on the same quarter last year.</p> <p>The corresponding figure in Thurrock is 50% - almost 3 times the national average.</p> <p>With the current economic climate and housing benefit reforms, it is widely predicted that the trend will continue upwards.</p> <p>There is a statutory duty to assist such households both with temporary accommodation and through provision of financial support into private rented properties.</p> <p>Failure to provide growth in funding to meet this statutory duty will have a huge impact on homeless households and may result in the Council not meeting its statutory duties, which in turn could lead to judicial review and costly litigation.</p>
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Impact of Proposal on performance	<p>Without increased funding to meet the increased numbers of applications, longer waiting times for assessments will result and this in turn will lead to more uncertainty and less favourable outcomes for homeless families.</p> <p>Subsequently, opportunities to prevent homelessness could be missed.</p> <p>Recommended deadlines for decisions will not be met and overall performance will decline.</p>
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Impact of Proposal on staff	<p>Failure to provide the increase in staffing levels means we will not be able to cope with the anticipated number of applications – this in turn will lead to increased stress on staff with all the usual resulting symptoms i.e. reduced quality of service, increased sickness etc.</p>
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Practical requirements regarding implementation and timetable	<p>A restructure of the current homelessness provision in terms of staffing and roles will need to be implemented.</p> <p>Increased temporary accommodation will need to be procured.</p> <p>Improved practices and written procedures</p>
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Equalities Impact	Homelessness affects all equality groups.
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2012/13 Budget - Growth Proposal

Service: Housing Services
Proposal Number: HWBG 4

Description of Proposal
Statutory Private Sector Housing Duties

Proposed Growth

Proposed Growth in 2012/13	Proposed Growth in 2012/13
£'000s	FTE Staff
125	

	2012/13	Full Year
	£'000s	£'000s
People		
Property		-
Third Party	-	-
Infrastructure/Kit	-	-

Base Budget 2011/12

HG251	£'000s
Expenditure	
Employees	344
Other Direct Running Costs (Premises, Transport and Supplies)	74
Third Party Payments	
Transfer Payments	
Capital Financing Costs	
Support Services Costs	56
Gross Expenditure	474
Income	
Sales, Fees and Charges	
Grant and External Contributions	(283)
Support Services Income	
Gross Income	(283)
Net Expenditure	191
Base Budget 2011/12 Full time Equivalent Staff	

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	20
Savings approved in the 2011/12 Base Budget	0

<p>Impact of Proposal on public / services</p>	<p>With reference to a recent management report, the growth proposal has been put forward as an option to increase the capacity of the council's private housing service. This is to ensure the council discharge as best it its statutory duty to ensure housing standards are met in the private housing sector.</p> <p>A number of options are being considered, with particular focus on partnering with a neighbouring authority. The growth will allow for the successful development of Thurrock's private housing service, to meet minimum statutory duties for Housing in Multiple Occupation (HMO's) and to allow for sufficient revenue and capital to progress bringing empty homes back into use.</p> <p>All Local housing authorities are required to carry out statutory duties that were introduced, renewed or amended by the 2004 Housing Act. The overarching duty is for the LHA to regularly review all housing conditions and decide what action is required. This includes improving conditions in houses in multiple occupation (HMO) and licensing them where appropriate. This HMO duty is currently being neglected.</p> <p>The primary legislation relating to HMOs is the Housing Act 2004, regulating the installation/improvement of fire precautions and other fire safety measures, the power to limit the number of occupants and to require works of repair or the installation of additional amenities. There is an additional duty in relation to all HMOs that are three storeys or more, with 5 or more residents. These larger properties are required to be licensed by the local authority. An estimated x20 licensable HMO's are known by the private housing service and inspections have been carried out but to date no HMO's have been licensed by the council. <u>The statutory duty requirements of the Housing Act 2004 are not being met.</u></p> <p>The x400 HMO's listed by the private housing service have not been risk assessed and no proactive inspection programme is in place. A limited number of HMO inspections are currently carried out as part by the private housing service as part of its core landlord-tenant complaint service, based on a "worst first" basis. This inspection approach is reactive only. <u>The statutory duty requirements of the Housing Act 2004 are not being met.</u></p> <p>Returning long term empty homes into use is a further government</p>
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	<p>commitment, and housing authorities through their private housing service, would lead on progressing this work. The local private housing service currently supports the sub regional empty homes scheme and although slow to progress, there are now x2 local cases progressing formally. There is no local dedicated empty homes officer, therefore, proactive publicity and awareness campaigns are limited and <u>empty homes enforcement action is not taken.</u></p>
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<p>Impact of Proposal on performance</p>	<p>The government has since abolished its National Indicators and performance framework that directly relates to private housing services. Key drivers, however, are still clearly recognisable through the government's emerging policy changes. They include:</p> <p><i>To improve the housing conditions of vulnerable households in 'non-decent' private sector homes and to prevent the further deterioration of the older private sector.</i></p> <p><i>Returning long term empty properties back into use.</i> Given the government's commitment to the delivery of new homes, this driver is considered important in respect of new supply targets.</p> <p>Growth will support the emerging picture for a future private sector housing service, to continue with those statutory duties that drive up housing standards, increase supply and meet housing need, particularly in the private rented sector.</p> <p>Previous Audit Commission findings detail that private sector housing inspections score proportionally lower than any other housing service, in terms of service quality and prospects for improvement. The lead housing inspector for London (east) has said that <i>"When you break down strategic housing inspections down, what you will actually see is the private sector is invariably the weakest element."</i> It is anticipated that if the council's current service were inspected the outcome would be poor.</p>
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<p>Impact of Proposal on staff</p>	<p>Increasing the staffing establishment of the service would impact on the number of HMOs inspected and improved and the ability to comply with those statutory duties.</p> <p>Work on bringing empty homes back into use will develop into both a proactive service in partnership with other authorities and private partners.</p> <p>The proportion of total Thurrock Council net expenditure on private housing services is very low when compared with its sub regional partners and the CIPFA nearest neighbour Group. Average x5 FTE compared with Thurrock x1.8 FT</p> <p>Growth will contribute to the option of increasing the current</p>
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	<p>numbers of staff. If not prioritised there is a risk that the work of existing staff being lost further, within the council's and government's new agenda of social housing and new affordable housing.</p>
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<p>Practical requirements regarding implementation and timetable</p>	<p>Partner with a neighbouring local authority to ensure statutory duties are met and empty properties are bought back into use.</p> <p>Risk medium: Opportunity high</p> <p>This option will allow for the service to build on what it has achieved so far i.e. core activity and partnership working. A register of interest has been received by Southend Council for the future provision of HMO and empty homes work. Southend Council have established and recognised procedures for both statutory areas of work. Thurrock private housing service has worked closely with Southend for over 3years as part of its sub regional partnership and there remains an on-going dialogue with the private housing manager.</p>
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<p>Equalities Impact</p>	<p>Independent evidence confirms residents of HMO's suffer the poorest housing conditions of any sector, are often the most vulnerable members of society and crucially, are six times more likely to die or suffer serious injury in a fire than residents of conventional properties. It is for these reasons that Government has legislated to give local authorities a wide range of powers and duties in relation to HMOs.</p> <p>Empty properties represent a blight on the local community and impact on house prices as the empty property becomes an eyesore and becomes an attraction for anti-social behaviour</p>
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2012/13 Budget - Growth Proposal

Service: People Services
Proposal Number: HWBG 5

Description of Proposal: Theatre Operations

The growth is required in order to address the current budget deficit in income for Theatre Operations

The current income target is not achievable, due in part to external economic factors and therefore this needs to be reduced next financial year.

Proposed Growth

Proposed Growth in 2012/13 £'000s	Proposed Growth in 2012/13 FTE Staff	Proposed Growth in full year £'000s	Proposed Growth in full year FTE Staff
78			

	2012/13 £'000s	Full Year £'000s
People		
Property		
Third Party		
Infrastructure/Kit		

Base Budget 2011/12

	£'000s
Expenditure	
Employees	178
Other Direct Running Costs (Premises, Transport and Supplies)	181
Third Party Payments	
Transfer Payments	
Capital Financing Costs	
Support Services Costs	248
Gross Expenditure	607
Income	
Sales, Fees and Charges	(190)
Grant and External Contributions	
Support Services Income	
Gross Income	(190)
Net Expenditure	417
Base Budget 2011/12 Full time Equivalent Staff	

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	
Savings approved in the 2011/12 Base Budget	

Impact of Proposal on public / services	
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Impact of Proposal on performance	
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Impact of Proposal on staff	
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Practical requirements regarding implementation and timetable	
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Equalities Impact	
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2012/13 Budget - Growth Proposal

Service: Chief Executive's Delivery Unit - Regeneration
Proposal Number: HWBG 6

Description of Proposal: Community Cohesion
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Community Cohesion growth to fund shortfall within existing voluntary sector funding budget
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Proposed Growth

Proposed Growth in 2012/13 £'000s	Proposed Growth in 2012/13 FTE Staff	Proposed Growth in full year £'000s	Proposed Growth in full year FTE Staff
27		27	

	2012/13 £'000s	Full Year £'000s
People		
Property		
Third Party		
Infrastructure/Kit		

Base Budget 2011/12

	£'000s
Expenditure	
Employees	165
Other Direct Running Costs (Premises, Transport and Supplies)	491
Third Party Payments	
Transfer Payments	
Capital Financing Costs	120
Support Services Costs	122
Gross Expenditure	898
Income	0
Sales, Fees and Charges	(539)
Grant and External Contributions	
Support Services Income	
Gross Income	(539)
Net Expenditure	359
Base Budget 2011/12 Full time Equivalent Staff	0

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	0
Savings approved in the 2011/12 Base Budget	0

Impact of Proposal on public / services	Will maintain current levels of service.
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Impact of Proposal on performance	Will maintain current levels of performance.
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Impact of Proposal on staff	Will maintain current level of staffing.
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Practical requirements regarding implementation and timetable	None.
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Equalities Impact	TBC.
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2012/13 Budget – Savings Proposal

Service: CWB – Adult Social Care

Proposal Number: HWBS 1

Description of Proposal: End of subsidy to the HRA in relation to former Supporting People Grant.
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The Supporting People grant is no longer ring fenced as part of the Council funding. The General Fund has budgeted to continue to make a contribution to the HRA for Supporting People service, which it is no longer obligated to do so.

Proposed Saving

Proposed Savings in 2012/13	Proposed Savings in full year
£575k	£575k

Base Budget 2011/12

	£'000s
Expenditure	
Employees	
Other Direct Running Costs (Premises, Transport and Supplies)	
Third Party Payments	2,081
Transfer Payments	
Capital Financing Costs	
Support Services Costs	
Gross Expenditure	2,081
Income	
Sales, Fees and Charges	
Grant and External Contributions	
Support Services Income	
Gross Income	0
Net Expenditure	2,081
Base Budget 2011/12 Full time Equivalent Staff	

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	
Savings approved in the 2011/12 Base Budget	

Impact of Proposal on public / services	
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Impact of Proposal on performance	None.
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Impact of Proposal on staff	None.
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Practical requirements regarding implementation and timetable	None.
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Equalities Impact	TBC.
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2012/13 Budget – Savings Proposal

Service: CWB – Adult Social Care

Proposal Number: HWBS 2

Description of Proposal: ASC Review of Residential Schemes for Learning Disabilities

<p>From 1st April 2011 responsibility for a number of residential schemes for people with learning disabilities was transferred over to the local authority from health management via the Learning Disability and Health Reform Grant. We have undertaken a detailed review of these schemes and the contract values with the providers and this figure represents a saving on the amount of expenditure on those services. It will not lead to a reduction in any service provision.</p>

Proposed Saving

Proposed Savings in 2012/13	Proposed Savings in full year
£327k	£327k

Base Budget 2011/12

	£'000s
Expenditure	
Employees	
Other Direct Running Costs (Premises, Transport and Supplies)	
Third Party Payments	327
Transfer Payments	
Capital Financing Costs	
Support Services Costs	
Gross Expenditure	327
Income	0
Sales, Fees and Charges	
Grant and External Contributions	
Support Services Income	
Gross Income	0
Net Expenditure	327
Base Budget 2011/12 Full time Equivalent Staff	0

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	
Savings approved in the 2011/12 Base Budget	

Impact of Proposal on public / services	On 1 st April 2012 the government transferred responsibility over to the local authority for a range of residential care providers for people with learning disabilities. These had previously been funded through PCT transfers known as Section 256 grants. As we have now full responsibility for these schemes we have reviewed the contracts, looked at the prices paid and schemes that were underutilised. We are confident that this figure can be withdrawn without any service reductions.
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Impact of Proposal on performance	Nil
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Impact of Proposal on staff	Nil
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Practical requirements regarding implementation and timetable	Can be delivered from 1 April 2012.
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Equalities Impact	Nil
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2012/13 Budget – Savings Proposal

Service: CWB – Adult Social Care

Proposal Number: HWBS 3

Description of Proposal: Review of Pricing Base

A major exercise is about to commence in the Autumn where Adult Social Care is engaging external support to undertake an in depth exercise reviewing all residential prices for principally younger adults (18 – 65) which are costing us over £ 750 per week. This represents about 150 placements and over £ 6m of our cost base. We will be using industry experts to do this and benchmark data such as the Care Cost Funding calculator. We have interviewed three companies obtained formal quotes. This figure represents the figures that have been achieved through similar exercises in other local authorities.

Proposed Saving

Proposed Savings in 2012/13	Proposed Savings in full year
£200k	£200k

Base Budget 2011/12

	£'000s
Expenditure	
Employees	
Other Direct Running Costs (Premises, Transport and Supplies)	
Third Party Payments	26,682
Transfer Payments	1,617
Capital Financing Costs	
Support Services Costs	
Gross Expenditure	28,299
Income	
Sales, Fees and Charges	(6,608)
Grant and External Contributions	
Support Services Income	
Gross Income	6,608
Net Expenditure	21,691
Base Budget 2011/12 Full time Equivalent Staff	0

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	1000
Savings approved in the 2011/12 Base Budget	900

Impact of Proposal on public / services	We will need to ensure that this does not jeopardise our relationships with providers nor force down quality at the same time. The Council will carefully oversee the process and ensure that any final decisions taken about pricing are taken by Adult Social Care staff.
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Impact of Proposal on performance	See above
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Impact of Proposal on staff	Nil within the Council
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Practical requirements regarding implementation and timetable	This exercise started in October 2011.
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Equalities Impact	See above.
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2012/13 Budget – Savings Proposal

Service: CWB – Adult Social Care

Proposal Number: HWBS 4

Description of Proposal: Use of Health Reablement Funding

The Department of Health have allocated some ring fenced funding for the development of schemes that reduce pressure on health and social care through investment in reablement services – telecare, hospital social work capacity, preventative services, extra care housing, intermediate care etc. This figure represents some expenditure we no longer will need to fully incur ourselves.

Proposed Saving

Proposed Savings in 2012/13	Proposed Savings in full year
£100k	£100k

Base Budget 2011/12

	£'000s
Expenditure	
Employees	66
Other Direct Running Costs (Premises, Transport and Supplies)	0
Third Party Payments	437
Transfer Payments	0
Capital Financing Costs	0
Support Services Costs	0
Gross Expenditure	503
Income	0
Sales, Fees and Charges	(50)
Grant and External Contributions	0
Support Services Income	0
Gross Income	0
Net Expenditure	453
Base Budget 2011/12 Full time Equivalent Staff	0

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	0
Savings approved in the 2011/12 Base Budget	0

Impact of Proposal on public / services	<p>The Department of Health has made funding available to allow closer working between health and social care partners. This funding is also intended to build up capacity in those areas under the heading of “reablement”. This will allow the Council and the PCT to strengthen the work they are doing to keep people out of hospital and expensive residential care placements.</p> <p>This funding can be used in those areas where the Council was already planning to make provision e.g. Intermediate Care Co-ordinator; Telecare specialist practitioner and so relieve Council funding.</p>
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Impact of Proposal on performance	Performance will improve through closer joint working and a renewed emphasis on prevention.
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Impact of Proposal on staff	Nil
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Practical requirements regarding implementation and timetable	Section 256 agreement agreed with the PCT
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Equalities Impact	Considered as part of the original proposals sent to the PCT – will result in improved service to carers and people with disabilities.
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2012/13 Budget – Savings Proposal

Service: CWB – Adult Social Care

Proposal Number: HWBS 5

Description of Proposal: Savings made within Collins House

We have undertaken a strategic review of Collins House which shows how the service has fundamentally changed and now offers a high quality service key to the delivery of our service priorities – principally around step down beds, intermediate care and respite. There is also a waiting list of people who want to move in. In addition to that we have undertaken a detailed efficiency review and through maintaining a higher occupancy rate, a review of management structures within the home and improved income collection reduced the unit cost.

Through this reduction of £ 70k we have taken down the unit cost to £ 550pw – this compares with nearly £ 650pw 2 years ago.

This is still higher than the cost of an ordinary residential care bed in the private sector – around £ 475pw - £ 500pw – but Collins House now offers a significantly different service.

Finally with the difficulties within the residential sector – Southern Cross for example – the market is in a very difficult and volatile position.

Proposed Saving

Proposed Savings in 2012/13	Proposed Savings in full year
£70k	£70k

Base Budget 2011/12

	£'000s
Expenditure	
Employees	1,361
Other Direct Running Costs (Premises, Transport and Supplies)	155
Third Party Payments	
Transfer Payments	
Capital Financing Costs	
Support Services Costs	
Gross Expenditure	1,516
Income	
Sales, Fees and Charges	(381)
Grant and External Contributions	
Support Services Income	
Gross Income	(381)
Net Expenditure	1,135
Base Budget 2011/12 Full time Equivalent Staff	

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	
Savings approved in the 2011/12 Base Budget	30

Impact of Proposal on public / services	There will be no loss of service through this efficiency. Collins House has reduced its unit costs considerably over the past few years (see strategic review). The saving has come about through: higher level of occupancy; increased income collection from full and part payers; improved use of agency staff; review of rotas; general efficiency measures within the project.
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Impact of Proposal on performance	Nil
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Impact of Proposal on staff	Nil
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Practical requirements regarding implementation and timetable	Deliverable by 1 April 2012.
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Equalities Impact	Nil
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2012/13 Budget – Savings Proposal

Service: CWB – Adult Social Care

Proposal Number: HWBS 6

Description of Proposal: Review of Management Levels

<p>Adult Social Care Heads of Service have reviewed the current span of responsibility, service priorities and management layers. This proposal would delete one Service Manager post. This would take us down from 7 to 6. It is felt that with the size and volume of the service provided this is appropriate – however, with the new People Directorate being created management layers will need to be reviewed again. This work is on-going.</p>
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Proposed Saving

Proposed Savings in 2012/13	Proposed Savings in full year
£60k	£60k

Base Budget 2011/12

	£'000s
Expenditure	
Employees	230
Other Direct Running Costs (Premises, Transport and Supplies)	107
Third Party Payments	
Transfer Payments	
Capital Financing Costs	
Support Services Costs	
Gross Expenditure	337
Income	0
Sales, Fees and Charges	
Grant and External Contributions	0
Support Services Income	
Gross Income	0
Net Expenditure	337
Base Budget 2011/12 Full time Equivalent Staff	

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	0
Savings approved in the 2011/12 Base Budget	0

Impact of Proposal on public / services	Nil
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Impact of Proposal on performance	Nil
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Impact of Proposal on staff	Deleting 1 service manager post
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Practical requirements regarding implementation and timetable	HR consultation will be required although there is one fixed term post that expires on 31 st March 2012.
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Equalities Impact	EIA will be undertaken prior to implementation.
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2012/13 Budget – Savings Proposal

Service: CWB – Adult Social Care

Proposal Number: HWBS 7

Description of Proposal: Provider Management Review
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<p>In view of the impending procurement and transfer out to Thurrock Lifestyle Solutions of Day Provider services, 1 management post has been removed from the structure. This was partly managed the current service and so will not be required in the new structure. However, provider services will need to review their overall structure in the light of the requirements of the new People Directorate.</p>
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Proposed Saving

Proposed Savings in 2012/13	Proposed Savings in full year
£50k	£50k

Base Budget 2011/12

	£'000s
Expenditure	
Employees	549
Other Direct Running Costs (Premises, Transport and Supplies)	87
Third Party Payments	
Transfer Payments	
Capital Financing Costs	
Support Services Costs	
Gross Expenditure	636
Income	0
Sales, Fees and Charges	43
Grant and External Contributions	
Support Services Income	
Gross Income	43
Net Expenditure	593
Base Budget 2011/12 Full time Equivalent Staff	1

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	
Savings approved in the 2011/12 Base Budget	

Impact of Proposal on public / services	Nil
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Impact of Proposal on performance	Nil
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Impact of Proposal on staff	1 management post will be reduced. Our internal disability services will be outsourced to Thurrock Lifestyle Solutions by 1 st April 2012. In light of this we have undertaken a review of management structures within the remaining in-house provider division.
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Practical requirements regarding implementation and timetable	Will be delivered by 1 April 2012.
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Equalities Impact	Will be undertaken prior to implementation.
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2012/13 Budget – Savings Proposal

Service: CWB – Adult Social Care

Proposal Number: HWBS 8

Description of Proposal: ASC Restructuring (Crisis Support and Intervention Team)
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There has been a major restructuring of this service to update old job descriptions and terms and conditions. The service is being radically transformed in order to turn it into our Home Care Re-ablement service which will eventually join up with the PCT. This figure represents the FYE saving through the restructuring exercise.

Proposed Saving

Proposed Savings in 2012/13	Proposed Savings in full year
£50k	£50k

Base Budget 2011/12

	£'000s
Expenditure	
Employees	811
Other Direct Running Costs (Premises, Transport and Supplies)	140
Third Party Payments	0
Transfer Payments	0
Capital Financing Costs	0
Support Services Costs	0
Gross Expenditure	951
Income	
Sales, Fees and Charges	(40)
Grant and External Contributions	0
Support Services Income	0
Gross Income	(40)
Net Expenditure	911
Base Budget 2011/12 Full time Equivalent Staff	

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	
Savings approved in the 2011/12 Base Budget	
Impact of Proposal on public / services	When we go fully live with our reablement service this will allow us to offer an intensive homecare reablement service jointly with the PCT to allow people to stay in their own homes for as long as possible.
Impact of Proposal on performance	This is one of our Corporate Performance Targets for 2011/12 – we want to see 400 people go through reablement this year.
Impact of Proposal on staff	The whole service has been restructured and new terms and conditions agreed following a 90 day consultation period with staff.
Practical requirements regarding implementation and timetable	The new service will go live 1 November 2011.
Equalities Impact	This was undertaken as part of the restructuring.

2012/13 Budget – Savings Proposal

Service: CWB – Adult Social Care

Proposal Number: HWBS 9

Description of Proposal: Savings – Director of CWB Miscellaneous

Line by line analysis of budgets :

1. SAOO2 – Various costs held under the previous Director’s budget : relocation, training hospitality etc. : £ 15,100
2. SAOO2 3998 – Contingency / consultancy budget held centrally – no longer required : £ 30,000
3. SE 2104 – Stroke prevention project work (will be absorbed within commissioning team): £ 10,301
4. SE 301 / SL404 – Elisabeth gardens grounds maintenance / Marisco Hall maintenance (not required) : £ 10,000
5. Reversal of equipment costs in Council properties to be funded from the HRA : £ 50,000
6. Training fund / mental health grant: Used to part fund officer post. Post has now been absorbed into MH/LD commissioner. £ 20,000

Total £ 135,401

Proposed Saving

Proposed Savings in 2012/13	Proposed Savings in full year
£135k	£135k

Base Budget 2011/12

	£'000s
Expenditure	
Employees	864
Other Direct Running Costs (Premises, Transport and Supplies)	119
Third Party Payments	
Transfer Payments	
Capital Financing Costs	
Support Services Costs	
Gross Expenditure	983
Income	
Sales, Fees and Charges	
Grant and External Contributions	(64)
Support Services Income	
Gross Income	(64)
Net Expenditure	919

Recent Changes to Base Budget

	£'000s
Growth approved in the 2011/12 Base Budget	
Savings approved in the 2011/12 Base Budget	

<input type="checkbox"/> Impact of Proposal on public / services	None
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Impact of Proposal on performance	None
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Impact of Proposal on staff	None
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Practical requirements regarding implementation and timetable	Can be implemented in 2012/13
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Equalities Impact	None
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