

23 July 2015		ITEM: 6
Health and Well-being Overview and Scrutiny Committee		
Adult Social Care – Budget Review and Service Reductions		
Wards and communities affected: All	Key Decision: N/A	
Report of: Roger Harris – Director of Adults, Health and Commissioning		
Accountable Head of Service: Les Billingham – Head of Adult Social Care		
Accountable Director: Roger Harris		
This report is Public		

Executive Summary

Cabinet at its meeting on 11th June 2015 received a report from the Head of Corporate Finance on the 2015/16 budget and an updated Medium Term Financial Statement (MTFS). That report highlighted that there were a series of budget savings which were no longer deliverable and, therefore, further savings from within Directorates were required. In addition we have looked at pressures within the Directorate which means we need to identify further in year savings – these two areas combined mean we need to find £ 500k additional savings this year. This paper looks at how that figure will be realised and those areas that will require consultation.

1. Recommendation(s)

1.1 Members are asked to comment on the proposed budget reductions as part of the wider consultation exercise.

2. Introduction and Background

2.1 The Council set its 2015/16 budget in February at the full Council meeting. Various reports had been presented to Cabinet and Council detailing a list of savings proposals to deliver a balanced budget.

2.2 Further reductions are still required because savings that had been planned from the SERCO contract and changes to staff terms and conditions have not materialised. In addition the proposed saving on the Meals on Wheels contract and some savings proposed in voluntary sector budgets have not been delivered. The combined total of all these pressures means that this Directorate has to find a further £ 500k savings this year.

3. Issues, Options and Analysis of Options

- 3.1 Officers have reviewed the budget for the whole Directorate. It should be noted that Public Health is having to find a further £ 600k savings as part of the late government announcement of £ 200m cuts nationally – that is the subject of a separate report at HOSC tonight.
- 3.2 It should also be noted that as part of the initial budget setting exercise for 2015/16 this Directorate has already identified, and is delivering, £ 3m of reductions – this £ 500k and the £ 600k public health reductions are both on top of that figure.
- 3.3 The review officers have undertaken has taken the following approach :
- Maintain front line services as far as possible.
 - Ensure the Council fulfils its statutory duties.
 - Identify efficiencies and service transformation in the first instance.
- 3.4 The list of proposals to deliver the £ 500k is summarised in the table below. The first block is the subject of formal consultation which will commence on 1st August and will run for 8 weeks, the results of which will come back to Cabinet and HOSC in October. The second block are savings that officers have implemented immediately to ensure we deliver the figure required this year :

Proposal for consultation	Saving Target 2015/16 (Part year)	Savings Target 2016/17 (Full year)
Review of Older People's Day Services	£ 100k	£ 200k
Review of Charging	£ 50k	£ 100k
To stop paying for small items of equipment up to a value of £50.	£ 30k	£ 60k
Review of Extra Care	£ 50k	£ 100k
Management Action		
Hospital Social Worker Team – stop Saturday and Sunday specific service	£ 20k	£ 20k
Cut 5 social worker posts	£ 150k	£ 150k
Review of contracts due to expire in 2015/16	£ 30k	£ 100k
Deleting further vacant posts, internal efficiency measures	£ 75k	£ 90k
Total	£ 500k	£ 820k

4. Reasons for Recommendation

4.1 These additional reductions will be very challenging for Adult Social Care services. We are delivering a range of new responsibilities from April 2015 under the Care Act (2014). We are also facing up to increased demand due to people living longer and also people having more complex health and social care needs. These service reviews and reductions we will be consulting over, will be difficult and we do want to have a genuine consultation with people over how these reductions are made and their impact.

4.2 The formal proposals are contained in more detail at :

- Appendix 1 : Older People's Day Services.
- Appendix 2 : Review of charging.
- Appendix 3 : Small Items of equipment under £ 50.
- Appendix 4 : Extra Care Review.

4.3 In the table summary above there are a number of reductions that are listed as management actions. In discussion with the portfolio holder we have implemented these as they do not require formal external consultation and urgent implementation is need to ensure that we get the full benefit of the savings in this financial year. However, they still require some difficult decisions to be taken. The decision to delete five social worker posts in particular is likely to mean that assessments and reviews will take longer, caseloads for the rest of the teams will increase and we will have to focus even more on our core statutory duties.

4.4 There will also need be a full Equality Impact Assessment (EIA) undertaken as part of the consultation process and reported back to HOSC / Cabinet when the final savings proposals are confirmed. Our User Lead Organisation (ULO) Thurrock Coalition will be assisting the Council to facilitate the production of the EIA.

5. Consultation (including Overview and Scrutiny, if applicable)

5.1 These proposals are to be issued for wider consultation which will commence on 1st August and last for 8 weeks.

6. Impact on corporate policies, priorities, performance and community impact

6.1 These savings are required to ensure that the Council has a balanced budget for 2015/16. Their impact on performance will be closely monitored by the Directorate Management Team.

7. Implications

7.1 Financial

Implications verified by: **Mike Jones**
Strategic Resources Accountant

The savings proposed in this report are required in order to ensure that the overall savings target within the MTFS is delivered. The final proposals that are out for consultation will need to be reported back to HOSC and Cabinet to ensure that they meet the Council's statutory responsibilities.

7.2 Legal

Implications verified by: **Dawn Pelle**
Adult Care Lawyer

The legal implications are dealt within the body of the report and the relevant appendices. A full consultation exercise is being undertaken which will include an Equality Impact Assessment.

7.3 Diversity and Equality

Implications verified by: **Catherine Wilson**
Strategic Lead – Commissioning and Procurement

There will be a full Equality Impact Assessment (EIA) undertaken on these proposals. Thurrock coalition has agreed to help facilitate this. The results of the EIA will be reported back to HOSC and Cabinet when the final proposals are submitted.

7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

N/A

8. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Thurrock Council MTFS

9. Appendices to the report

- See Appendices 1 – 4 with more details on the actual savings proposals.

Report Author:

Roger Harris

Director

Adults, Health and Commissioning