

## **APPENDIX 2**

### **SOCIAL CARE SCRUTINY COMMITTEE** **25 JANUARY 2005**

#### **REVENUE BUDGET 2005/06**

The Committee was advised that the Social Services budget would increase by 6.9% in line with the Personal Social Services FSS, though this should be seen in the context of a very low FSS for this Authority. The proposed budget was intended to respond to the pressures facing all Social Services Authorities namely that of balancing demand, supply, cost and resourcing of services together with the continued need to provide good quality services to meet national and local performance targets.

A particular issue in relation to the current year's budget was the decision of the ODPM to reduce the supporting people allocation by 5% and a 20% reduction in the infrastructure grant. This would have an impact on services and the Supporting People Commissioning Body which includes District Councils and Health Bodies would be facing some difficult decisions. The Committee was advised that the ODPM had indicated that there could be a further reduction in funding in subsequent years. The Leader had written to the ODPM to express concerns on behalf of the Authority. Members of the Committee expressed support for this action.

#### **Growth**

The proposed budget included net growth in 2005/06 of £7.6 million plus further growth of £1.35m from specific grants. The focus of the growth was particularly to address:

- Increased demand
- Increased provider costs
- Loss of specific grant funding
- Meeting Government policies and targets
- Progressing the County Council's MTCS commitments particularly in relation to Children's services and services for people with a learning disability.

#### **Demand and Cost Increases**

There has been a dialogue with independent sector residential care providers on fee levels in the light of difficulties in recruitment, changes in wage levels and local economic climate. There had been no increase in the level of fees payable for two years (other than for inflation).

## **Savings**

- The decision to increase home care charges was a difficult one. The proposed increase would still keep the level of charges levied for the Authority below that of most Authorities. Leicester City, for example had a maximum charge of £174 per week compared to our proposed charge of £50.00 per week.
- The efficiency savings identified in the report would be achieved in large part by careful management of vacancies and operational budgets. No redundancies were envisaged nor would there be any direct reduction in service agreements with voluntary and community groups.

## **CAPITAL PROGRAMME 2005/06 – 2007/08**

- The proposed expenditure on the Electronic Social Care Records was intended to respond to the requirements being placed upon all Social Services Authorities by the government. The proposed level of investment would enable the Department to meet the Government's requirements in the coming year. The position would be kept under review. Members welcomed the progress being made.
- The proposed investment of £105,000 would enable the upgrading of facilities at Lenthall House, Hadrian House and Harvey House.
- The Department had no major difficulties in meeting the DDA requirements of reasonable access. Some particular issues remain in respect of certain properties and these were being addressed corporately.

## **DECISION**

- a) That the Commission be advised of the comments now made.
- b) That the Commission and Cabinet be advised that the Committee welcomes a good settlement and sensible budget for the Social Services Department.