

SOCIAL CARE SCRUTINY COMMITTEE - 25<sup>TH</sup> JANUARY 2005

JOINT REPORT OF THE DIRECTOR OF RESOURCES AND  
THE DIRECTOR OF SOCIAL SERVICES

REVENUE BUDGET 2005-06 AND CAPITAL PROGRAMME 2005-06 TO 2007-08

**Purpose of the report**

1. The report provides information on the proposed revenue budget for 2005-06 and capital programme for 2005-06 to 2007-08.

**Background**

2. The Cabinet approved the proposed revenue budget and capital programme for consultation on the 13<sup>th</sup> January 2005.
3. Reports setting out the proposed revenue budget and capital programme are being presented to the relevant Scrutiny Committees and to the Scrutiny Commission. Cabinet will consider the results of the scrutiny process before recommending a budget and capital programme to the County Council on the 23<sup>rd</sup> February 2005.

**Proposed revenue budget 2005-06**

4. The proposed revenue budget is summarised in the table below and is set out in detail in Appendix A. Starting with the original budget for 2004-05, this table shows the key changes built in to the budget for 2005-06.

|   | £                  | £                  |
|---|--------------------|--------------------|
| 2004-05 ORIGINAL BUDGET                             |                    | 104,541,550        |
| Inflation to Out-turn in 2005-06                    |                    | 2,833,170          |
| Full Year Effect of Previous Years Growth & Savings |                    | 1,765,000          |
| Budget Transfers                                    |                    | 223,400            |
| Income Changes:                                     |                    |                    |
| Home Care - Fairer Charging                         | 850,000            |                    |
| Residential Care (Adults)                           | -1,385,000         |                    |
| Day Care LD - shortfall on Meals income             | <u>50,000</u>      |                    |
|   |                    | -485,000           |
| Other Changes (Net)                                 |                    | <u>-28,120</u>     |
| Sub total   |                    | 108,850,000        |
| Proposed Growth:                                    |                    |                    |
| Service Improvements                                | 175,000            |                    |
| Demand and Cost Increases                           | 5,296,000          |                    |
| Other Growth  | 603,000            |                    |
| Reduced Income                                      | 2,948,000          |                    |
| Funding from Specific Grant                         | <u>-1,350,000</u>  |                    |
|   |                    | 7,672,000          |
| Proposed Savings:                                   |                    |                    |
| Efficiency Savings                                  | -1,520,000         |                    |
| Increased Income                                    | <u>-240,000</u>    |                    |
|   |                    | <u>-1,760,000</u>  |
| 2005-06 PROPOSED BUDGET                             |                    | <u>114,762,000</u> |
| This is made up of:                                 |                    |                    |
| Employees   | 51,708,980         |                    |
| Running Costs                                       | <u>113,621,860</u> |                    |
| Gross Budget  |                    | 165,330,840        |
| Government Grants                                   | -23,934,560        |                    |
| Clients' Charges                                    | -20,066,520        |                    |
| Other Income  | <u>-6,567,760</u>  |                    |
| Total Income  |                    | <u>-50,568,840</u> |
| Net Budget 2005-06                                  |                    | <u>114,762,000</u> |

#### **Inflation to out-turn in 2005-06**

5. The proposed 2005-06 budget includes provision for inflation to out-turn prices based on:

|  |        |
|--|--------|
| Pay (includes 2.95% for 2005-06 and 0.25% shortfall from 2004-05 | 3.2 %  |
| Employers Superannuation   | 10.5 % |
| Running costs (and commissioned services)                        | 2.5 %  |

These are standard inflation provisions. Where costs are increasing at a higher rate specific growth is included in the budget.

Income budgets have been increased by average inflation on the related gross expenditure budgets which equates to approximately 3%.

#### **Full year effect of previous years' growth and savings**

6. The full year effect of previous years' growth and savings is to add £1.765 million to the 2005-06 budget. This reflects the full year, on-going impact of the current year's increased demand for Home Care, Residential Care, Adult Day Care and Direct Payments (£1.14m), together with the full year costs of increased demand for Children's Residential Agency Placements (£0.15m).
7. The full year effect of various service improvements, for which growth was agreed in 2004-05, including improvements to Day Care Services for People with Learning Disabilities, improvements to the Community Equipment and Adaptations Services, and the strengthening of Community Mental Health Teams, has added £0.25m to the 2005-06 budget.
8. The full year effect of the 2004-05 savings includes the termination of transitional relief on Home Care charges in October 2004, and an increase in the Community Meals charge from £2.00 to £2.10 in April 2005.

#### **Budget transfers**

9. A number of relatively small transfers to and from other departmental budgets have been agreed and are reflected in a net addition to the Social Services Budget of £223,400.

### **Income changes**

10. Home Care (Fairer Charging) income budget is reduced by £850,000. This recognises that the original Home Care income budget was too optimistic and is not achievable (as demonstrated by budget performance in 2003-04 and 2004-05 and as previously reported to the Resources Scrutiny Committee). This sets the budget at a realistic level that reflects forecast Home Care income levels in 2004-05.
11. Residential Care (Adults) income budget is increased by £1.385 million. This reflects a trend of increasing income in this area in 2003-04 and 2004-05, due to increasing average income levels of clients, and to improved occupation rates in our own residential homes. This is one of the main reasons for the forecast underspend in the Department in 2004-05. The increase sets the budget at a realistic level, reflecting residential care income levels that are forecast to be achieved in 2004-05.
12. The Learning Disabilities Day Care income budget for meals is reduced by £50,000. This reflects a forecast of reduced income in 2004-05 due to an increase in clients providing their own lunches and not requiring our meals provision. This is expected to continue in 2005-06.

### **Other changes**

13. The net impact of other changes is relatively small at less than £30,000. This is the sum of a number of small changes required in individual budgets.

### **Growth and Savings**

14. The proposed 2005-06 budget includes growth of £7.672 million and savings of £1.760 million. These are detailed in Appendices B and C.

### **Growth**

15. The growth items for 2005-06 shown in Appendix B are largely related to increases in client demand and provider costs. This reflects the fact that demographic factors and market place pressures as well as national policy and targets substantially drive Social Services spending pressures. The Formula Spending Share (FSS) increase for Social Services in 2005-06 and Specific Grant allocations both recognise the pressures on Social Services departments. It should be noted however that the FSS uplift includes a transfer of £2.773 million out of Specific Grant funding and therefore this element of the FSS is not new (growth) money. The net increase in FSS after adjustment for the above is 6.8 %.

16. The growth items are divided into four categories:

i) **Service Improvements**

17. The areas of service improvement are set out below:

- ♦ Children's residential provision will continue to be improved (£75,000), in line with the Medium Term Corporate Strategy (MTCS) priority to redevelop community homes for young people to provide a stable good quality environment.
- ♦ Learning Disability Day Services at Charnwood will be developed (£50,000) in line with the MTCS priority to modernise Learning Disability services.
- ♦ Investment is required to meet inspection standards and for inspection fees (£30,000) in adult services.
- ♦ Increased running costs resulting from capital developments (mainly those supporting modernisation of Learning Disability services) are included in budgets (£20,000).

ii) **Demand and cost increases**

18. This is the main area of investment of growth funds, for the reasons set out above. The main areas of investment are:

- ♦ Independent Home Care demand (£621,000) and cost pressures (£421,000):  
  
This reflects demand trends (a 7.2% increase) and cost pressures (up to 1.5% above inflation increase in fees) in the independent sector. The current base budget for Independent Home Care in 2005-06 is £16.85 million. Each 1% increase in fees leads to an increase in cost of £170,000.
- ♦ Independent sector adult residential / nursing home placements demand (£486,000) and cost pressures (£546,000):  
  
This reflects demand trends (mainly a 3.7% increase in Learning Disability demand) and cost pressures (up to 1.5% above inflation increase in fees). The current base budget for independent residential and nursing home provision is £47.1 million. Each 1% increase in fees leads to an increase in cost of £470,000.
- ♦ Direct Payments (£368,000) to fund the full year effect of new cases in 2004-05:

This will sustain the improved performance against DoH key performance indicators, which is a priority area in the Departmental Service Plan.

- ♦ Learning Disability Supported Living (£346,000) to increase the budget to a realistic level (that reflects the current forecast overspend in 2004-05 on this demand led service budget):

Supported Living is a relatively recent development that provides more independent living and greater independence for clients as an alternative to traditional residential care.

- ♦ Transport (£380,000) and Community Meals (£233,000) services to increase the budget to a realistic level (that reflects the current forecast overspend in 2004-05 on these demand led service budgets).

- ♦ Children's residential agency placements demand (£700,000) and cost pressures (£310,000):

The demand element is to increase the budget to a realistic level (that reflects the current forecast overspend in 2004-05 on this demand led service budget) and to include the cost of a further placement (at circa £200,000) in 2005-06. The cost element is to reflect the additional costs that will be incurred as a result of an independent provider going into receivership, leading to more expensive alternative provision for the existing placements.

- ♦ Employee increments (£450,000) recognises the increase in cost to the Department of former manual workers who are moving incrementally to a new higher grade following Job Evaluation.

### iii) Other Growth

19. These are generally relatively small growth items, although there are some areas to note with regard to achievement of key targets:

- ♦ Increasing the Adaptations budget (£180,000) to a realistic level (that reflects the current forecast overspend in 2004-05) and supports the MTCS priority to enable more people to live at home independently.
- ♦ Development of E-procurement in Home Care (£150,000). This is a one-off implementation cost for a project that will have benefits in terms of validating delivery of care and in operational efficiency and will significantly reduce current delays in invoicing clients for charges.
- ♦ Partnership Working / Learning Disability Lead Commissioning (£50,000). This is a one-off cost to provide project management capacity to support the development and implementation of lead commissioning and integrated provision.

- ♦ Direct Payments infrastructure (£50,000) to further improve take-up of Direct Payments.
- ♦ Investment in Information Technology (£60,000) to support implementation of the Electronic Social Care Record.

**iv) Reduced Income**

20. Some growth funding is required to offset loss of income from other sources:

- ♦ Transfer of grant in to FSS means that the FSS uplift includes funding to cover loss of grant for Preserved rights (£436,000), Residential Allowance (£1.892 million) and Training Support (£445,000). This element of the FSS uplift is therefore required to maintain current services.
- ♦ Further loss of grant has occurred with the Children's Identification, Referral and Tracking grant (£132,000). Indications are that this may be re-instated in some form in 2006-07 so the shortfall may be for 2005-06 only.

**Savings**

21. Savings and additional income are set out in Appendix C. This shows that significant efficiency savings have been made in order to support growth plans.

The main efficiency savings are:

- ♦ Full year effect of 2004-05 schemes (£500,000). These schemes have been implemented in 2004-05 and therefore the savings are achievable whilst maintaining current service levels. These savings are shown separately in Appendix C.
- ♦ General staff vacancies (£420,000) will be managed so that savings are achieved in areas that do not provide front line services. Savings of this level have been achieved in 2003-04 and 2004-05 whilst maintaining service levels.
- ♦ More cost-effective procurement and commissioning of services for older people (£220,000) as a result of investment in community care services.
- ♦ Reduction in management and administration costs (£100,000).

22. Additional income is planned to be raised through increased charges for home care (£240,000). This will be achieved by increasing the hourly charge from £5.50 to £6 and increasing the maximum weekly charge from £40 to £50. Charges would remain at less than half of the cost of independent provision of care and in the bottom 10% of authorities included in the CIPFA benchmarking exercise for 2004-05.

### **Specific Grants**

23. Although the Government is moving to reduce the proportion of funding allocated through specific grants, a significant level of funding will be received through these grants in 2005-06.

The table below summarises the specific revenue grants expected in 2005-06.

|                                     | £ million |
|-------------------------------------|-----------|
| Grants included in base budget      | 25.40     |
| Loss of grants (funded from growth) | -2.82     |
| New growth funded from grant        | 1.35      |
| Total Grants expected in 2005-06    | 23.93     |

Details of specific grants are included in Appendix D.

### **Growth funded from grants**

#### **Access and Systems Grant**

24. The total grant for 2005-06 is £5.74 million, of which £0.85 million new grant for growth is non-recurrent (i.e. for 2005-06 only). The increase in this grant provides an extra £400,000 to fund growth. In addition to this, a critical review of expenditure plans from this grant has been undertaken and a further £0.95 million released to enable a total of £1.35 million of new growth to be funded out of this grant in 2005-06.

### **Supporting People Grants**

25. The Office of the Deputy Prime Minister has reduced national totals of the Supporting People Grants for 2005-06 for the second year running.

In 2005-06, Leicestershire has seen a 5% cash reduction in its Grant for Services, and a 20% reduction in its Grant for Infrastructure Support.



The 2005-06 budgets include the notified grants at their reduced levels (see Appendix D). Since its introduction in April 2003, the Supporting People programme has been fully funded from a combination of Government Grant and Clients' Charges. The 2005-06 budget assumes that this position will be maintained, and expenditure budgets have been reduced to match the reductions in Government Grants. Plans to implement service reductions have yet to be agreed.

### **Capital**

26. The table below sets out a summary of the programme (the detail of which is in Appendix E)

| Programme Area                 | 2005-06<br>£000 | 2006-07<br>£000 | 2007-08<br>£000 |
|--------------------------------|-----------------|-----------------|-----------------|
| Learning Disabilities          | 383             | 1442            | 1058            |
| Electronic Social Care Records | 295             | 190             |                 |
| Homes for Older People         | 105             |                 |                 |
| Other                          | 175             | 160             | 160             |
| Total                          | 958             | 1792            | 1218            |

27. The main element of the programme in each of the three years is the modernisation of Learning Disability services, following the best value review, in line with the MTCS priority. This includes those schemes agreed as priorities for development by Cabinet, which comprises day care services in Melton, Charnwood and Hinckley and respite services in Wigston and Melton. The Hamilton Court scheme is to be submitted to cabinet for approval in June 2005.
28. The other significant area within the programme is the Electronic Social Care Record, the implementation of which is a Department of Health requirement. This is consistent with e-government requirements and is supported through the BABS / ICT planning process. The electronic document records management system is also likely to be developed into an overall corporate system. Implementation of the Electronic Social Care Record will improve the efficiency of major social care processes, and give appropriate professionals access to key information necessary to deliver a high quality service.
29. Improvements to care homes for the elderly are required to meet new government national care standards, which are compulsory.

Other costs in the programme are for minor works, health and safety and fire safety and a sum for general design and supervision of schemes.

Revenue consequences are built in to the 2005-06 budget.

### **Recommendation**

30. Members are asked to consider the report and any response they may wish to make to the Scrutiny Commission.

### **Equal opportunities implications**

31. Much of the Social Services budget is directed towards the needs of disadvantaged people.
32. Proposals will be subject to race equality impact assessments where necessary.

### **Background paper**

33. Revenue budget 2005-06 report to Cabinet on the 13<sup>th</sup> January 2005.

### **Appendices**

34. A: Detailed Revenue Budget 2005-06  
B: Revenue Growth 2005-06  
C: Revenue Savings 2005-06  
D: Specific Grants 2005-06  
E: Capital Programme 2005-08

### **Officers to Contact**

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**APPENDIX A**

**2005-06 ORIGINAL BUDGET**

|   | Employees         | Running Costs     | Income            | Total             |
|---|-------------------|-------------------|-------------------|-------------------|
|   | £                 | £                 | £                 | £                 |
| <b>CHILDREN'S SERVICES</b>              |                   |                   |                   |                   |
| CHILD CARE MANAGEMENT                   | 500,840           | 213,020           | -6,410            | 707,450           |
| COMMISSIONING & SOCIAL WORK             | 5,722,020         | 1,491,510         | -1,097,100        | 6,116,430         |
| CHILDREN'S RESIDENTIAL                  | 1,476,300         | 5,737,090         | -307,650          | 6,905,740         |
| <b>DAY &amp; COMMUNITY CARE</b>         |                   |                   |                   |                   |
| Fostering and Adoption                  | 863,280           | 3,727,880         | -630,020          | 3,961,140         |
| Children & Family Centres               | 1,383,350         | 529,680           | -120,280          | 1,792,750         |
| Support for Children in Their Own Homes | 670,950           | 241,850           | -41,000           | 871,800           |
| Direct Payments                         | 0                 | 128,070           | -35,880           | 92,190            |
| Children in Need Payments               | 0                 | 420,550           | 0                 | 420,550           |
| Children's Support                      | 684,020           | 422,960           | -419,550          | 687,430           |
| Supporting People Programme             | 0                 | 263,050           | -263,050          | 0                 |
| Youth Offending Team                    | 355,840           | 248,400           | -27,780           | 576,460           |
| Leaving Care                            | 498,290           | 458,580           | -21,870           | 935,000           |
| Identification, Referral and Tracking   | 147,450           | 140,200           | -287,650          | 0                 |
| <b>TOTAL</b>                            | <b>4,603,180</b>  | <b>6,581,220</b>  | <b>-1,847,080</b> | <b>9,337,320</b>  |
| <b>TOTAL CHILDREN'S SERVICES</b>        | <b>12,302,340</b> | <b>14,022,840</b> | <b>-3,258,240</b> | <b>23,066,940</b> |
| <b>LEARNING DISABILITIES</b>            |                   |                   |                   |                   |
| <b>RESIDENTIAL CARE</b>                 |                   |                   |                   |                   |
| Own Homes                               | 2,170,250         | 290,710           | -771,550          | 1,689,410         |
| Independent Sector Homes                | 0                 | 12,903,040        | -5,428,890        | 7,474,150         |
| <b>TOTAL</b>                            | <b>2,170,250</b>  | <b>13,193,750</b> | <b>-6,200,440</b> | <b>9,163,560</b>  |
| <b>DAY &amp; COMMUNITY CARE</b>         |                   |                   |                   |                   |
| Day Care: Own Provision                 | 3,623,100         | 1,612,660         | -648,080          | 4,587,680         |
| Day Care: Other Provision               | 0                 | 1,753,420         | -119,610          | 1,633,810         |
| Support for People in Their Own Homes   | 121,990           | 352,430           | -91,670           | 382,750           |
| Supported Living                        | 0                 | 412,490           | -132,500          | 279,990           |
| Direct Payments                         | 0                 | 224,510           | -8,510            | 216,000           |
| Community Support Services              | 153,980           | 8,440             | -36,370           | 126,050           |
| Employment Schemes                      | 1,147,600         | 385,290           | -810,610          | 722,280           |
| LD Development Fund                     | 188,430           | 41,020            | -229,450          | 0                 |
| Supporting People Programme             | 0                 | 1,008,270         | -1,008,270        | 0                 |
| <b>TOTAL</b>                            | <b>5,235,100</b>  | <b>5,798,530</b>  | <b>-3,085,070</b> | <b>7,948,560</b>  |
| <b>TOTAL LEARNING DISABILITIES</b>      | <b>7,405,350</b>  | <b>18,992,280</b> | <b>-9,285,510</b> | <b>17,112,120</b> |
| <b>PHYSICAL DISABILITIES</b>            |                   |                   |                   |                   |
| <b>RESIDENTIAL CARE</b>                 |                   |                   |                   |                   |
| Independent Sector Homes                | 0                 | 3,078,880         | -993,530          | 2,085,350         |
| <b>DAY &amp; COMMUNITY CARE</b>         |                   |                   |                   |                   |
| Day Care: Own Provision                 | 195,200           | 579,100           | -46,270           | 728,030           |
| Day Care: Other Provision               | 0                 | 209,730           | 0                 | 209,730           |
| Support for People in Their Own Homes   | 670,950           | 2,431,560         | -585,670          | 2,516,840         |
| Direct Payments                         | 0                 | 1,698,100         | -362,460          | 1,335,640         |
| Supporting People Programme             | 0                 | 126,640           | -126,640          | 0                 |
| <b>TOTAL</b>                            | <b>866,150</b>    | <b>5,045,130</b>  | <b>-1,121,040</b> | <b>4,790,240</b>  |
| <b>TOTAL PHYSICAL DISABILITIES</b>      | <b>866,150</b>    | <b>8,124,010</b>  | <b>-2,114,570</b> | <b>6,875,590</b>  |

|  | Employees         | Running Costs     | Income             | Total             |
|--|-------------------|-------------------|--------------------|-------------------|
|  | £                 | £                 | £                  | £                 |
| <b>MENTAL HEALTH</b>                         |                   |                   |                    |                   |
| <b>RESIDENTIAL CARE</b>                      |                   |                   |                    |                   |
| Own Homes                                    | 412,940           | 65,440            | -232,850           | 245,530           |
| Independent Sector Homes                     | 0                 | 1,155,260         | -305,310           | 849,950           |
| <b>TOTAL</b>                                 | <b>412,940</b>    | <b>1,220,700</b>  | <b>-538,160</b>    | <b>1,095,480</b>  |
| <b>DAY &amp; COMMUNITY CARE</b>              |                   |                   |                    |                   |
| Day Care: Own Provision                      | 550,450           | 190,870           | -166,630           | 574,690           |
| Day Care: Other Provision                    | 0                 | 589,350           | -167,010           | 422,340           |
| Support for People in Their Own Homes        | 182,990           | 347,990           | -88,730            | 442,250           |
| Supported Living                             | 0                 | 137,400           | -15,000            | 122,400           |
| Direct Payments                              | 0                 | 61,250            | -10,500            | 50,750            |
| Supporting People Programme                  | 0                 | 1,564,330         | -1,564,330         | 0                 |
| <b>TOTAL</b>                                 | <b>733,440</b>    | <b>2,891,190</b>  | <b>-2,012,200</b>  | <b>1,612,430</b>  |
| <b>TOTAL MENTAL HEALTH</b>                   | <b>1,146,380</b>  | <b>4,111,890</b>  | <b>-2,550,360</b>  | <b>2,707,910</b>  |
| <b>SERVICES FOR OLDER PEOPLE</b>             |                   |                   |                    |                   |
| <b>RESIDENTIAL</b>                           |                   |                   |                    |                   |
| Own Homes                                    | 6,320,170         | 1,123,370         | -3,570,940         | 3,872,600         |
| Independent Homes:                           |                   |                   |                    |                   |
| Older People                                 | 0                 | 21,486,520        | -9,489,060         | 11,997,460        |
| Older People with Mental Health problems     | 0                 | 10,136,380        | -4,130,120         | 6,006,260         |
| <b>TOTAL</b>                                 | <b>6,320,170</b>  | <b>32,746,270</b> | <b>-17,190,120</b> | <b>21,876,320</b> |
| <b>DAY &amp; COMMUNITY CARE</b>              |                   |                   |                    |                   |
| Day Care: Own Provision                      | 584,310           | 590,270           | -125,480           | 1,049,100         |
| Day Care: Other Provision                    | 0                 | 1,212,660         | -22,780            | 1,189,880         |
| Support for People in Their Own Homes        | 4,452,690         | 21,153,630        | -5,210,950         | 20,395,370        |
| Direct Payments                              | 0                 | 262,820           | -84,610            | 178,210           |
| Luncheon Clubs                               | 0                 | 113,820           | -85,130            | 28,690            |
| Supporting People Programme                  | 0                 | 3,202,150         | -3,202,150         | 0                 |
| <b>TOTAL</b>                                 | <b>5,037,000</b>  | <b>26,535,350</b> | <b>-8,731,100</b>  | <b>22,841,250</b> |
| <b>TOTAL SERVICES FOR OLDER PEOPLE</b>       | <b>11,357,170</b> | <b>59,281,620</b> | <b>-25,921,220</b> | <b>44,717,570</b> |
| <b>OTHER CLIENT GROUPS</b>                   |                   |                   |                    |                   |
| Asylum Seekers                               | 0                 | 255,800           | -255,800           | 0                 |
| Supporting People Programme                  | 0                 | 1,396,660         | -1,396,660         | 0                 |
| <b>TOTAL</b>                                 | <b>0</b>          | <b>1,652,460</b>  | <b>-1,652,460</b>  | <b>0</b>          |
| <b>SUPPORT FOR PEOPLE IN THEIR OWN HOMES</b> |                   |                   |                    |                   |
| Own Home Care Service                        | 6,099,570         | 939,650           | -516,640           | 6,522,580         |
| Independent Home Care                        | 0                 | 19,429,520        | -4,312,440         | 15,117,080        |
| Meals Service                                | 0                 | 1,327,600         | -560,080           | 767,520           |
| Aids / Adaptations                           | 0                 | 2,767,520         | -587,860           | 2,179,660         |
|  | 6,099,570         | 24,464,290        | -5,977,020         | 24,586,840        |
| Less re-charged to Service User Groups       | -6,099,570        | -24,464,290       | 5,977,020          | -24,586,840       |
|  | 0                 | 0                 | 0                  | 0                 |
| <b>ASSESSMENT OF NEED &amp; SOCIAL CARE</b>  |                   |                   |                    |                   |
| <b>ADULT SERVICES</b>                        |                   |                   |                    |                   |
| Access, Adult Teams and Commissioning        | 10,187,960        | 1,521,850         | -2,928,060         | 8,781,750         |

|  | Employees         | Running Costs      | Income             | Total              |
|--|-------------------|--------------------|--------------------|--------------------|
|  | £                 | £                  | £                  | £                  |
| <b>VOLUNTARY &amp; INDEPENDENT<br/>SECTOR SUPPORT SERVICES</b> | 0                 | 2,865,000          | -802,030           | 2,062,970          |
| <b>SUPPORT SERVICES</b>  |                   |                    |                    |                    |
| Management and Administration                                  | 6,527,810         | 3,263,140          | -1,577,310         | 8,213,640          |
| Service Strategy   | 195,320           | 15,400             | -2,090             | 208,630            |
| Training   | 877,280           | 602,380            | -464,780           | 1,014,880          |
| <b>TOTAL</b>   | <b>7,600,410</b>  | <b>3,880,920</b>   | <b>-2,044,180</b>  | <b>9,437,150</b>   |
| <b>TRANSPORT</b>   |                   |                    |                    |                    |
| Gross:   |                   |                    |                    |                    |
| Own Fleet  | 843,220           | 804,720            | -12,210            | 1,635,730          |
| External Contractors   | 0                 | 1,439,260          | 0                  | 1,439,260          |
| Recharged  | 0                 | -3,074,990         | 0                  | -3,074,990         |
| <b>TOTAL</b>   | <b>843,220</b>    | <b>-831,010</b>    | <b>-12,210</b>     | <b>0</b>           |
| <b>TOTAL BUDGET 2005-06</b>                                    | <b>51,708,980</b> | <b>113,621,860</b> | <b>-50,568,840</b> | <b>114,762,000</b> |

## APPENDIX B

## 2005-06 REVENUE BUDGET - GROWTH

| Line Ref. |   | 2005/06<br>£000 | 2006/07<br>£000 | 2007/08<br>£000 |
|-----------|---|-----------------|-----------------|-----------------|
|           | <b>Service Improvements</b>   |                 |                 |                 |
| 1         | Children's Residential provision                                    | 75              | 0               | 0               |
| 2         | Day Care Learning Disabilities - Best Value Review                  | 50              | 100             | 100             |
| 3         | Meeting inspection standards  | 30              | 45              | 45              |
| 4         | Revenue Consequences of Capital Programme                           | 20              | 25              | 25              |
|           | <b>Demand &amp; cost increases</b>                                  |                 |                 |                 |
|           | <u>Demand:</u>  |                 |                 |                 |
| 5         | Independent Home Care   | 621             | 1,242           | 1,242           |
| 6         | Residential / Nursing Placements                                    | 486             | 901             | 901             |
| 7         | Direct Payments   | 368             | 368             | 368             |
| 8         | Supported Living  | 346             | 370             | 370             |
| 9         | Transport   | 380             | 380             | 380             |
| 10        | Community meals   | 233             | 233             | 233             |
| 11        | Emergency Duty Team   | 100             | 100             | 100             |
| 12        | Home Care / Residential Care costs - Brain Injury                   | 90              | 150             | 150             |
| 13        | Children's Residential Agency Placements                            | 700             | 700             | 700             |
| 14        | Foster Care Placements  | 150             | 150             | 150             |
| 15        | Other   | 55              | 95              | 95              |
|           | <u>Cost:</u>  |                 |                 |                 |
| 16        | Residential / Nursing Placements                                    | 546             | 546             | 546             |
| 17        | Independent Home Care   | 421             | 421             | 421             |
| 18        | Children's Residential Agency Placements                            | 310             | 310             | 310             |
| 19        | Employee increments (net of turnover)                               | 450             | 450             | 450             |
| 20        | Other   | 40              | 40              | 40              |
|           | <b>Other Growth</b>   |                 |                 |                 |
| 21        | Adaptations   | 180             | 180             | 180             |
| 22        | Home Care E-procurement set up costs                                | 150             | 0               | 0               |
| 23        | Partnership Working / Lead Commissioning Learning Disability        | 50              | 0               | 0               |
| 24        | Improved Infrastructure to promote take-up of Direct Payments       | 50              | 50              | 50              |
| 25        | Transitions Team  | 30              | 35              | 35              |
| 26        | National minimum standards for Adult Placement schemes              | 25              | 25              | 25              |
| 27        | Improvement to IT network   | 25              | 25              | 25              |
| 28        | Electronic Social Care Records                                      | 35              | 66              | 66              |
| 29        | Other   | 58              | 60              | 60              |
|           | <b>Reduced Income</b>   |                 |                 |                 |
| 30        | Preserved Rights - Transfer of Grant to FSS                         | 436             | 436             | 436             |
| 31        | Residential Allowance - Transfer of Grant to FSS                    | 1,892           | 1,892           | 1,892           |
| 32        | Training Support - Transfer of Grant to FSS                         | 445             | 445             | 445             |
| 33        | Other Grants - no inflation increase                                | 43              | 43              | 43              |
| 34        | Children's Identification, Referral & Tracking - loss of Govt Grant | 132             | 0               | 0               |
| 35        | <b>Total Growth</b>   | <b>9,022</b>    | <b>9,883</b>    | <b>9,883</b>    |
| 36        | <b>Funding from Specific Grants</b>                                 | <b>-1,350</b>   | <b>-950</b>     | <b>-950</b>     |
| 37        | <b>Net Total</b>  | <b>7,672</b>    | <b>8,933</b>    | <b>8,933</b>    |

APPENDIX C

2005-06 REVENUE BUDGET - SAVINGS

| Line Ref. |   | 2005/06<br>£000 | 2006/07<br>£000 | 2007/08<br>£000 |
|-----------|---|-----------------|-----------------|-----------------|
|           | <b>Full year effects of 2004-05 efficiency savings:</b>   |                 |                 |                 |
| 1         | Reduced demand for residential assessments and rehabilitation through development of community based alternatives | -250            | -250            | -250            |
| 2         | Provision for severance costs in 2004-05 only, no longer required   | -92             | -92             | -92             |
| 3         | Reduced management and support staff  | -61             | -61             | -61             |
| 4         | Learning Disabilities Day Care: revised management structure linked to Best Value review                          | -40             | -40             | -40             |
| 5         | Children's Services: reduction in non-care staff posts  | -33             | -33             | -33             |
| 6         | Employment Schemes: reduced staffing costs  | -22             | -22             | -22             |
| 7         | Other   | -2              | -2              | -2              |
| 8         |   | -500            | -500            | -500            |
|           | <b>Efficiency Savings</b>   |                 |                 |                 |
| 9         | Management of General Staff Vacancies   | -420            | -420            | -420            |
| 10        | Savings on procurement and commissioning of services for Older People   | -220            | -220            | -220            |
| 11        | Adult Provider Management and Administration  | -100            | -100            | -100            |
| 12        | Restructuring of Community Care support staff   | -95             | -95             | -95             |
| 13        | Learning Disabilities Day Care - in-house support costs   | -70             | -70             | -70             |
| 14        | Leicestershire Care On-Line running costs   | -50             | -50             | -50             |
| 15        | Re-alignment of Children's Services budgets   | -40             | -40             | -40             |
| 16        | Other   | -25             | -25             | -25             |
| 17        |   | -1,020          | -1,020          | -1,020          |
|           | <b>Increased income</b>   |                 |                 |                 |
| 18        | Home Care - increase hourly charge from £5.50 to £6.00  | -90             | -90             | -90             |
| 19        | - increase weekly maximum from £40 to £50   | -150            | -150            | -150            |
| 20        | <b>Total</b>  | -1,760          | -1,760          | -1,760          |

SPECIFIC GRANTS 2005-06APPENDIX D

|  | Grants Included<br>in Base<br>Budget<br>£ | Loss of Grants<br>(Funded from<br>Growth)<br>£ | Additional<br>Grant to fund<br>Growth<br>£ | TOTAL<br>£        |
|--|---|--|--|-------------------|
| <u>DEPARTMENT FOR<br/>EDUCATION AND SKILLS</u> |   |  |  |                   |
| Adoption Support                               | 137,160                                   |  |  | 137,160           |
| Choice Protects                                | 178,920                                   |  |  | 178,920           |
| Integrated Children's Services                 | 59,450                                    |  |  | 59,450            |
| Safeguarding Children                          | 447,020                                   | -12,000  |  | 435,020           |
| Safe House Scheme                              | 111,800                                   |  |  | 111,800           |
| Teenage Pregnancy                              | 216,000                                   | -6,000   |  | 210,000           |
| <u>DEPARTMENT OF HEALTH</u>                    |   |  |  |                   |
| Access and Systems                             | 3,940,520                                 |  | 1,350,000                                  | 5,290,520         |
| Residential Allowances                         | 3,759,000                                 | -1,892,000                                     |  | 1,867,000         |
| Preserved Rights                               | 3,520,000                                 | -436,000                                       |  | 3,084,000         |
| Mental Health Grant                            | 1,170,100                                 |  |  | 1,170,100         |
| Carers   | 1,141,370                                 |  |  | 1,141,370         |
| Delayed Discharges                             | 1,002,730                                 | -20,000  |  | 982,730           |
| Children's Mental Health                       | 431,630                                   |  |  | 431,630           |
| Information Management                         | 207,000                                   | -5,000   |  | 202,000           |
| AIDS Support                                   | 46,350                                    |  |  | 46,350            |
| Training Support                               | 445,000                                   | -445,000                                       |  | 0                 |
| National Training Strategy                     | 254,340                                   |  |  | 254,340           |
| HR Development Strategy                        | 284,190                                   |  |  | 284,190           |
| <u>EMPLOYMENT SERVICE</u>                      |   |  |  |                   |
| Supported Employment                           | 600,500                                   |  |  | 600,500           |
| <u>OFFICE OF THE DEPUTY<br/>PRIME MINISTER</u> |   |  |  |                   |
| Supporting People (Services)                   | 6,807,850                                 |  |  | 6,807,850         |
| Supporting People (Infrastruct                 | 351,730                                   |  |  | 351,730           |
| <u>HOME OFFICE</u>                             |   |  |  |                   |
| Asylum Seekers                                 | 287,900                                   |  |  | 287,900           |
| <b>TOTAL GRANTS</b>                            | <b>25,400,560</b>                         | <b>-2,816,000</b>                              | <b>1,350,000</b>                           | <b>23,934,560</b> |





**APPENDIX E**

**2005/06 - 2007/08 CAPITAL PROGRAMME**

| Line Ref. | SCHEME DETAILS   | 2005/06 | 2006/07 | 2007/08 | TOTAL |
|-----------|--|---------|---------|---------|-------|
|           |  | £000    | £000    | £000    | £000  |
| 1         | Commitments from Earlier Years   | 3       |         |         | 3     |
|           | <b><u>2005/06 NEW STARTS</u></b>   |         |         |         |       |
| 2         | MIS - Electronic Social Care Records (Software)  | 295     | 190     |         | 485   |
| 3         | Learning Disability Respite Care - Wigston   | 200     | 490     |         | 690   |
| 4         | Hamilton Court (Coalville) - Conversion into smaller units for semi independent living | 50      | 150     |         | 200   |
| 5         | Elderly Persons Homes - Upgrading 3 Homes  | 105     |         |         | 105   |
| 6         | Reprovisioning of Mountsorrel (Charnwood) Learning Disabilities Service                | 100     | 300     | 100     | 500   |
| 7         | Reprovisioning of Melton Learning Disability Service                                   | 30      | 50      | 200     | 280   |
| 8         | Minor Works  | 95      |         |         | 95    |
| 9         | Fire Safety  | 30      |         |         | 30    |
| 10        | Health & Safety  | 30      |         |         | 30    |
| 11        | General Design & Supervision   | 20      |         |         | 20    |
| 12        |  | 958     | 1,180   | 300     | 2,438 |
| 13        | Commitments from Earlier Years   |         | 1,180   | 300     | 1,480 |
|           | <b><u>2006/07 NEW STARTS</u></b>   |         |         |         |       |
| 14        | Learning Disability Respite Care Home - Melton   |         | 402     | 308     | 710   |
| 15        | Minor Works  |         | 80      |         | 80    |
| 16        | Millfield Day Centre   |         | 50      | 450     | 500   |
| 17        | Health & Safety  |         | 30      |         | 30    |
| 18        | Fire Safety  |         | 30      |         | 30    |
| 19        | General Design & Supervision   |         | 20      |         | 20    |
| 20        |  |         | 1,792   | 1,058   | 2,850 |
| 21        | Commitments from Earlier Years   |         |         | 1,058   | 1,058 |
|           | <b><u>2007/08 NEW STARTS</u></b>   |         |         |         |       |
| 22        | Minor Works  |         |         | 80      | 80    |
| 23        | Health & Safety  |         |         | 30      | 30    |
| 24        | Fire Safety  |         |         | 30      | 30    |
| 25        | General Design & Supervision   |         |         | 20      | 20    |
| 26        |  |         |         | 1,218   | 1,218 |