



**ADULTS AND COMMUNITIES OVERVIEW AND SCRUTINY
COMMITTEE: 20 JANUARY 2025**

**JOINT REPORT OF THE DIRECTOR OF ADULTS AND COMMUNITIES
AND THE DIRECTOR OF CORPORATE RESOURCES**

MEDIUM TERM FINANCIAL STRATEGY 2025/26–2028/29

Purpose of Report

- 1 The purpose of this report is to:
 - a) Provide information on the proposed 2025/26-2028/29 Medium Term Financial Strategy (MTFS) as it relates to the Adults and Communities Department;
 - b) Ask members of the Committee to consider any issues as part of the consultation process and make any recommendations to the Scrutiny Commission and the Cabinet accordingly.

Policy Framework and Previous Decisions

- 2 The County Council agreed the current MTFS in February 2024. This was the subject of a comprehensive review and revision in light of the current economic circumstances.

Background

- 3 The draft MTFS for 2025/26–2028/29 was set out in the report considered by the Cabinet on 17 December 2024, a copy of which has been circulated to all Members of the County Council. This report highlights the implications for the Adults and Communities Department.
- 4 Reports such as this one are being presented to the relevant Overview and Scrutiny Committees. The views of this Committee will be reported to the Scrutiny Commission on 27 January 2025. The Cabinet will consider the results of the scrutiny process on 7 February 2025 before recommending a MTFS, including a budget and capital programme for 2025/26 to the County Council on 19 February 2025.

Service Transformation

- 5 The Council's Adults and Communities Department has a '*Delivering Wellbeing and Opportunity in Leicestershire: Adults and Communities Department Ambitions*

and Strategy for 2020–2024, which demonstrates how the Department will contribute to all five of the authority's Strategic Plan outcomes.

- 6 The Strategy builds on the previous adult social care, adult learning and communities and wellbeing service strategies. It recognises the value of more closely bringing together all the Department's work since it is fundamental to the Council's role in promoting wellbeing. The ambition at the heart of the Strategy is to improve wellbeing for the people and communities of Leicestershire including their levels of happiness, prosperity, and satisfaction with life, along with their sense of meaning, purpose, and connection. It also sets out other ambitions for the Department including:
- Improved customer experience and satisfaction;
 - Providing high quality information and advice;
 - Promoting wellbeing through universal services;
 - Building a flexible, talented, motivated workforce, including apprentices;
 - Investment in social care accommodation;
 - Seamless transition from children to adult services;
 - Promoting independence;
 - Improved use of technology;
 - Working effectively with partners.
- 7 The design and delivery of services will continue to be based on the 'right' model; that is the right people (those who are at risk or need support to maximise their independence) are receiving the right services, at the right time, in the right place and the Council is working with the right partners.
- 8 The Care Act 2014 places a duty on local authorities to integrate services with Health and other partners, both at an operational level and in respect to strategy and commissioning, in order to deliver joined up high quality services.
- 9 The draft Growth and Savings for the 2025 MTFS (2025/26-2028/29) reflect the changes in demand for services and the transformation in delivery of services to achieve the vision set out in the Department's Strategy and the national Government's reform of social care agenda.

Proposed Revenue Budget

- 10 The table overleaf summarises the proposed 2025/26 net revenue budget and provisional budgets for the next three years. The proposed 2025/26 revenue budget in detail is shown at Appendix A, attached to this report.

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Original prior year budget	228,677	233,703	235,583	240,758
Budget transfers and adjustments	10,196			
Sub total	238,873	233,703	235,583	240,758
Add proposed growth (Appendix B)	(1,780)	4,250	6,600	5,640
Less proposed savings (Appendix C)	(3,390)	(2,370)	(1,425)	(1,100)
Proposed/provisional net budget	233,703	235,583	240,758	245,298

- 11 Detailed service budgets have been compiled on the basis of no pay or price inflation, a central contingency will be held which will be allocated to services as necessary.
- 12 The total gross proposed budget for 2025/26 is £386.0m with contributions from grants, Health transfers and service user contributions projected of £152.3m. The proposed net budget for 2025/26 totals £233.7m and is distributed as follows:

Net Budget 2025/26		
Demand Led Commissioned Services	£205.4m	87.9%
Direct Services	£6.0m	2.5%
Care Pathway – Operational Commissioning	£21.3m	9.1%
Care Pathway – Integration, Access and Prevention	£12.6m	5.4%
Strategic Services	£5.0m	2.1%
Early Intervention and Prevention	£1.8m	0.8%
Department Senior Management	£1.2m	0.5%
Better Care Fund/NHS Contribution	(£25.8m)	(11.0%)
Communities and Wellbeing	£6.2m	2.7%
Department Total	£233.7m	

Other Changes and Transfers

- 13 A number of budget transfers (totalling a net increase of £10.2m) were made through the 2024/25 financial year and are now adjusted for in the updated original budget. These transfers are:
- Nil for pay and pension inflation transferred from the central inflation contingency. Budget transfers to cover the additional costs associated with the 2024/25 pay award are still to be finalised but will be reflected in the final MTFS to be reported to Cabinet;
 - £10.3m for price inflation (including residential fee review);
 - (-£0.1m) transfers to and from other departments;

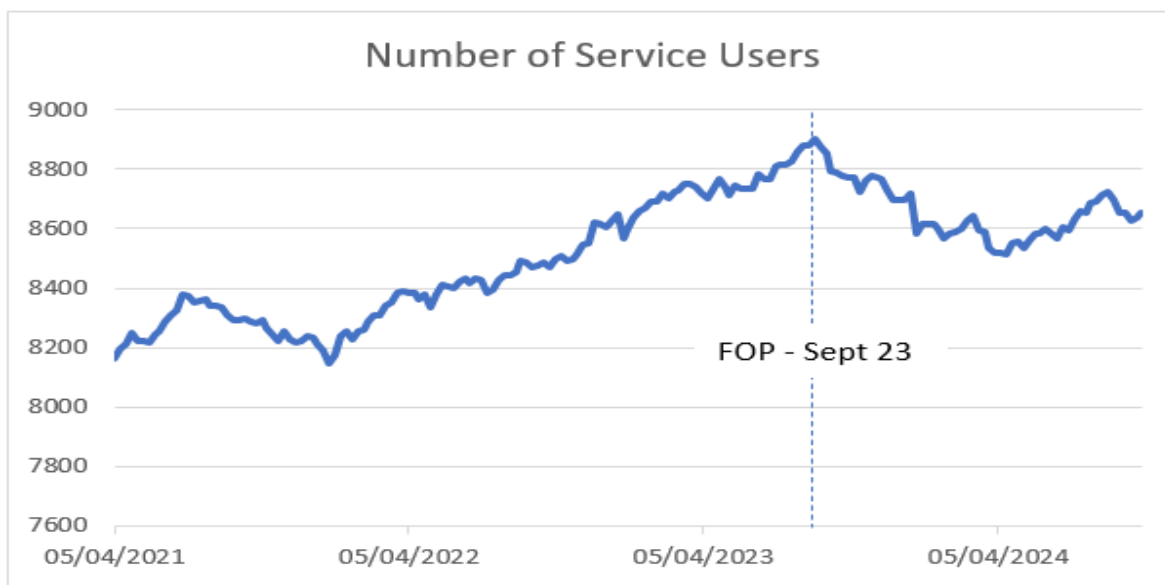
- 14 Growth and savings have been categorised in the appendices under the following classification:
- * - item unchanged from previous MTFS;
 - ** - item included in the previous MTFS, but amendments have been made;
 - No stars - new item.
- 15 This star rating is included in the descriptions set out for growth and savings below.
- 16 Savings are highlighted as “Eff” or “SR” dependent on whether the saving is seen as an efficiency or a service reduction or a mixture of both. “Inc” denotes those savings that are funding related or to generate more income. There are no new service reductions being proposed above those already approved in previous versions of the MTFS.
- 17 Considering the ongoing and increasing scale of the challenge faced by the Council to balance the MTFS, existing financial control measures are continuing to be reinforced to ensure a tight focus on eliminating non-essential spend. Inevitably, further savings beyond those identified in this report will be needed, and where possible, included in the final MTFS.

Growth

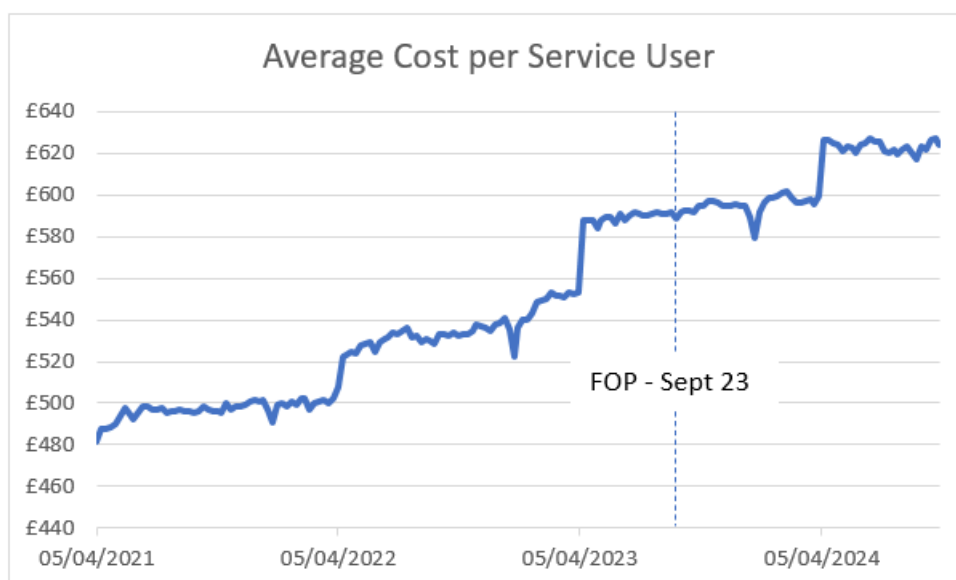
- 18 The proposed growth reflects changes in demand for services such as increased numbers of service users and number of high-cost care packages, in particular those related to older adults and learning disabilities and changes in types of service. As in previous years, the profile of service users and their care needs are constantly changing which may impact on the services commissioned. Overall demand led expenditure totals circa £289m.
- 19 There is a number of demand management activities which include regular oversight of cost of care packages, a scheme of delegation which manages level of spend and accountability at all levels across the service, benchmarking against national population statistics and regular budget monitoring. The Departmental Management Team also maintains oversight of the quality and sustainability of the care provider market including impact of changes in demand for care homes and home care. All these actions aim to validate and mitigate future growth requirements.
- 20 The growth required is -£1.8m for 2025/26 and rising to £14.7m by 2028/29. Whilst growth in the current financial year was below forecasts, and as such it is estimated a reduction can be made for 2025/26, demand for commissioned services continues to increase as well as the cost of care making it particularly challenging to accurately forecast growth requirements. Growth forecasts will be regularly reviewed and updated based on the latest information. The budget increases are outlined below and summarised in Appendix B to the report.

Overall Growth Trends

- 21 Overall number of service users being supported across Residential Care, Homecare, Supported Living, Cash Payments and Community Life Choices from April 2021 through to October 2024 are shown in the graph overleaf. Typical growth would be approximately 1-1.5% per annum. However, prior to the introduction of the Fair Outcomes Panels in September 2023, annualised growth was 3.6%. Since the introduction of the Fair Outcomes Panels, the annualised growth over the entire period is 1.7%.



- 22 The average cost per service user rose over the same time period. This is shown in the graph below. The steep rise from April relates to the annual fee review uplift.



- 23 The average cost per service user was not static and rose over the course of 22/23 and 23/24 mainly driven by higher cost packages within Residential care from market pressures to secure a placement and increasing hours being commissioned within Homecare from increasing numbers of discharges from

hospital. Over the course of 24/25 the average cost per service user started to stabilise.

**G7 Older People demand – £1,900,000 in 2025/26 rising to £15,190,000 by 2028/29

- 24 People aged over 65 account for most of the Department's care expenditure. This financial growth is required to meet the increasing numbers of older people with eligible needs as well as the increasing fragility of existing service users. The additional costs of packages of care are estimated to be £1.9m for residential care.
- 25 The introduction of the Fair Outcomes Panels during 2023-2024 initially reduced the number of placements with alternative forms of support being explored. Over the course of 24/25 overall placement numbers began to rise to levels observed in 23/24.
- 26 Another key driver is the cost of providing services which has significantly increased as capacity in the market is limited and the impact of increasing inflation. Despite the increase in placement numbers over 24/25 the cost of commissioned packages remains relatively stable compared with previous financial years.
- 27 Future changes in demand are estimated using national demographic statistics to produce a baseline forecast of the likely number and average cost of service users. The current projection is based on service needs as of November 2024 which are assumed to continue into 2025. This growth is primarily to meet the expected increase in service users from the projected demographic growth in future years.

**G8 Learning Disability demand – £550,000 in 2025/26 rising to £5,720,000 by 2028/29

- 28 There is a requirement for the Council to provide for increased care costs and growth relating to the number of service users accessing services that provide support to people with learning disabilities.
- 29 The current projection is based on service needs as of November 2024 which are assumed to continue into 2025. Future changes in demand are estimated using national demographic statistics to produce a baseline forecast of the likely number and average cost of service users.
- 30 There is currently an increase in the numbers of social care placements in children's services which may impact on the Department in the long term but cannot yet be quantified.
- 31 This growth is primarily to meet the expected increase in service users from the projected demographic growth in future years.

**G9 Mental Health demand – £500,000 in 2025/26 rising to £3,340,000 by 2028/29

- 32 This financial growth is required to meet the increasing numbers of people with eligible mental health needs. Future changes in demand are initially estimated

using historic trends to produce a baseline forecast of the likely number and average cost of service users. The current projection is based on service needs as of November 2024 which are assumed to continue into 2025. Other year changes in demand are estimated using national demographic statistics to produce a baseline forecast of the likely number and average cost of service users.

**G10 Physical Disabilities demand – £0 in 2025/26 rising to £800,000 by 2028/29

33 This financial growth is required to meet the increasing numbers of people with eligible physical disabilities. The current projection is based on service needs as of November 2024 which are assumed to continue into 2025. Future changes in demand are estimated using national demographic statistics to produce a baseline forecast of the likely number and average cost of service users. This growth is primarily to meet the expected increase in service users from the projected demographic growth in future years.

**G11 Additional Service User Income from Growth in numbers – (-£420,000) in 2025/26 rising to (-£3,630,000) in 2028/29

34 As the growth in the number of service users increases it is anticipated that a proportion these will be able to contribute towards the costs of their care which will offset the amount of growth required.

**G12 Additional Health Income from Growth in numbers – (-£310,000) in 2025/26 rising to (-£2,710,000) in 2028/29

35 As the growth in the number of service users increases it is anticipated that a proportion these will attract health income to support their needs which will offset the amount of growth required.

G13 Demand Management Target – (-£4,000,000) reduction 2025/26 onwards

36 Considering the scale of the challenge faced by the Council to balance the MTFs and the level of growth, a target for reducing growth by managing demand was set. This target was achieved by the Department over the course of 2024/25 through the Demand Management programme.

Savings

37 Details of proposed savings are set out in Appendix C and total £3.4m in 2025/26 and £8.3m over the next four years.

Adult Social Care

**AC1 (Inc) - Increased Income from Fairer Charging and removal of subsidy/aligning increases - £100,000 saving in 2025/26 rising to £400,000 from 2028/29

- 38 Department for Work and Pensions increases in benefits payments should provide additional chargeable income. It is anticipated that income from older people will rise faster than inflation as a result of the protection of over 65s benefits provided for by the National Government (£400k).

**AC2 (Eff) – Implementation of Digital Assistive Technology to Service Users (Technology Enabled Care -TEC) – £150,000 saving in 2025/26 rising to £300,000 from 2026/27

- 39 Savings by developing a range of IT and digital solutions that can be used to support service user outcomes across the Care Pathway. It includes assistive technology, aids and adaptations, telecare, and telehealth. Implementation commenced at the end of April 2022 and includes a partnership arrangement with Hampshire County Council and their commercial partner PAArgenti. Hampshire acts as a strategic partner to assist the Department in transformation and deliver a new approach to care technology.
- 40 One of the key strategic aims of the service is to deliver a significant financial contribution to the Council – both in terms of avoided future demand and in terms of actual in-year cost reductions. Savings are a mixture of avoided cost and cashable savings as well as non-financial benefits of care technology providing better outcomes for people.
- 41 The transformed Council Care Technology (CT) service has been running since 25 April 2022. Since launch, demand for the service has been strong and is growing. Evidence that the technology is having a positive outcome for people and care technology is being utilised to reduce the risk to the person or to support the carer.

**AC3 (Eff) - Review of Mental Health pathway and placements - £400,000 savings 2025/26 onwards

- 42 A review of the Mental Health Care Pathway including a progression model to reduce residential costs and other support. The intention is to enable people to step down from building-based services into their own homes with flexible support to prevent a further relapse and escalation back into building-based services. A Mental Health Accommodation Pathway Project has been established with membership including both internal and external partners. Additional staffing is being put in place to help support the move to step down accommodation and initial savings have been made.

**AC4 (Inc) - Increased BCF Income - £1,000,000 saving in 2025/26 rising to £4,000,000 in 2028/29

- 43 Additional income from the annual uplift on the protected social care element of the Better Care Fund (BCF).

*AC5 (Eff) - Improve consistency in hourly rates for Direct Payments (DP) and promote use of personal assistants - £160,000 saving 2025/26 onwards

44 The updated guidance around hourly rates paid to DP recipients has been issued to operational staff. The proposal is to:

- Standardise the DP rate to Personal Assistants (PA);
- Develop the PA market in Leicestershire through a bespoke programme led and supported by adult social care;
- Increase the number of people accessing PA's as an alternative to home care agency provision.

45 This would help achieve consistency by reducing the variation in the rates paid, whilst encouraging more people to become PAs. Putting in place clearer guidance for staff about how hourly rates should be applied will also help reduce the use of exceptions and reduce higher hourly rates.

*AC6 (Eff) – Transforming Commissioning – Extra Care - £100,000 saving in 2025/26 rising to £255,000 in 2027/28

46 The County Council considers its extra care stock to be low for the size of the county, in particular for those people with higher social care needs. The Council will seek to increase development of extra care within the county to support people with a higher level of care and support needs akin to standard residential care with a particular focus on dementia. This should reduce the overall costs of residential and care costs through reducing support costs.

47 This project will look to address the current position where the current client mix in extra care does not support sustainability of the provision. Leicestershire's provision is underused and there is less available than in other local authority areas. The aims are to:

- Increase Council commissioned care;
- Increase the high needs cohort;
- Increasing the average level of need within the high care needs cohort.

*AC7 (Eff) – Transforming Commissioning – Alternatives to Home Care - £250,000 saving in 2025/26 rising to £600,000 in 2026/27

48 Following the diagnostic review into the usage of home care, initiatives to reduce demand and costs have been explored.

49 This project seeks to identify and utilise cost-effective alternatives to home care, for the non-personal care elements of a package with a shift towards outcomes-based commissioning.

50 Early analysis suggests a proportion of support packages have a non-personal care element and therefore this provision could be provided by a non-regulated service, for example shopping calls. Where packages have an element of non-

personal care there is potential to mix packages with a regulated provision for personal care tasks and an alternative for other required tasks, such as cleaning, and therefore the potential for cost reduction.

*AC8 (Eff) – Transforming Commissioning – Continuing review of contracts across all areas - £150,000 saving 2025/26 onwards

- 51 A review of existing social care contracts across all areas will be conducted to find further cashable savings. Both existing contracts and contracts that are due for renewal will be reviewed by the Commissioning Team to find additional cost savings.

AC9 (Eff) – Review of underspends in staffing and general expenditure (turnover) – £300,000 saving 2025/26 onwards

- 52 Over the course of 2024/25 additional savings of £300k were identified through a review of staffing and non-essential budgets that have consistently underspent over the last few years. The budget has been removed for 2025/26 and is not expected to have an operational impact on the Department.

AC10 (Eff) – Review in-house supported living and short breaks provision - £100,000 saving in 2025/26 rising to £500,000 in 2027/28

- 53 A review of the Department's short breaks sites has highlighted an opportunity to better utilise unused occupancy. Options are being explored to see if placements could be offered to various partner organisations which would potentially generate additional income to the Department.
- 54 A review of in-house supported living will also take place to determine whether alternative delivery methods could be pursued.

AC11 (Eff) – Approved Mental Health Professionals (AMHP) review - £30,000 saving 2025/26 onwards

- 55 A review of the service model is being undertaken which has highlighted an opportunity to make a saving without an operational impact.

AC12 (Eff) – Review of 1:1 support in residential care - £250,000 saving in 2025/26 rising to £500,000 in 2026/27

- 56 Reviews of all one-to-one support in Residential Care will be undertaken to better identify and challenge commissioning practice, using care technology and develop a strengths and asset based approach.
- 57 More effective use of funding and costing tools will identify where high-cost placements may be renegotiated to reflect a fairer cost of care and reduce supplementary needs payments.

AC13 (Inc) – Increasing Health Income - £300,000 saving in 2025/26 rising to £500,000 in 2026/27

- 58 The Department has identified the need to address current Continuing Health Care (CHC) determinations. Expertise will be sought to review determinations and enhance knowledge of CHC criteria across the operational workforce to embed learning ensuring that people are receiving their correct entitlement in line with their health and support needs.
- 59 The Department is also reviewing existing and new health funded packages to ensure that health contributions are correct.

AC14 (Inc) – Review of Fees and Charges - £100,000 saving in 2025/26 rising to £150,000 in 2026/27

- 60 The opportunity for additional income through a review of fees and charges will ensure the Department is achieving income in line with the delivery of services. The introduction of a Corporate Charging Policy will ensure that fees and charges are regularly monitored and updated to ensure maximisation of income.

Communities and Wellbeing

**AC16 (Eff) - Implementation of revised service for Communities and Wellbeing - £40,000 saving from 2026/27 onwards

- 61 Further work has been undertaken to review options for the relocation of the Record Office of Leicester, Leicestershire, and Rutland (ROLLR), and the creation of a Collections Hub. Implementation of a revised service is dependent on decisions taken with partners with regards to the allocation of future capital for the scheme. A new hub would realise the final part of the previous restructuring and enable the release of the current collection stores to consolidate assets into one location.

Savings under development

- 62 The following areas are being developed to meet future savings targets.

Preparing for Adulthood Review

- 63 The journey from child to adult social care is commonly described as ‘transition.’ Transition is a process that happens over a period of time, during which services need to work flexibly to ensure each young person’s individual circumstances are taken into account when planning the move into adulthood.
- 64 It is hypothesised that if more active work is undertaken with young people receiving children’s social care, their representatives and social care workers at an earlier age, savings could be achieved by having additional time to work with them to look at ways of maximising people’s independence and considering strengths based approaches to meet outcomes.

Review of Community Life Choices (Day services) by looking at the services being offered and delivered

- 65 A review is taking place to examine the current commissioning of Community Life Choices services to inform future procurement arrangements.

Review of Lightbulb Service contribution and business case with partners to improve efficiency

- 66 Ongoing discussions are taking place with partners to explore whether additional efficiencies can be obtained from the partnership as part of a revised business case.

Review of Supported Living packages

- 67 A review of supported living care and support will take place. The Department will explore whether commissioned step through/progression services, within residential care, could enable people to step down into less intensive care and support.

Review of Direct Payments processes to improve efficiency across teams and robustness of assessments

- 68 A review of the Direct Payments process will be undertaken. An assessment of processes has highlighted that improvements could be made to ensure that Direct Payments being made to recipients continue to reflect their current level of need.

Improve efficiency of financial assessments process across teams which should lead to more timely invoicing and reduce debt

- 69 The Department aims to develop a streamlined and efficient financial pathway across teams to ensure prompt payment and processing of assessed charges. This will both improve the customer journey and reduce debt.

Review of Home Care packages in particular for double handed care and look at alternative approaches to delivering services

- 70 The Single-Handed Care Team is made up of Occupational Therapists and Community Support Workers who undertake assessments of individuals with double handed packages of care. The team observe care while it is taking place and prescribe equipment which facilitates single handed care, recommend alternative techniques for completing tasks and ensure there are no environmental barriers to the task.

Health and Social Care Integration

Better Care Fund (BCF)

- 71 Health and Social Care Integration continues to be a national government priority. Developing effective ways to co-ordinate care and integrate services around the person and provide more of this care in community settings are seen nationally and locally as key to improving outcomes and ensuring high quality and sustainable services for the future.
- 72 The Council has received funding from the NHS through the BCF since 2015/16 in line with levels determined by Government. The BCF's purpose is to help the Council finance the delivery and transformation of integrated health and care services to the residents of Leicestershire, in conjunction with NHS partners.
- 73 The BCF policy framework and planning requirements are refreshed regularly and may cover one year or a number of years. The Department of Health and Social Care (DHSC) and the Ministry of Housing, Communities and Local Government (MHCLG) published a two-year policy framework for the implementation of the BCF in 2023/24 and 2024/25 on 4 April 2023. NHS England approves BCF plans in consultation with DHSC and MHCLG.
- 74 The four national conditions set by the Government in the BCF policy framework for 2023/25 are:
- Plans to be jointly agreed;
 - Enabling people to stay well, safe and independent at home for longer;
 - Provide the right care in the right place at the right time;
 - Maintaining NHS's contribution to adult social care and investment in NHS commissioned out of hospital services.
- 75 The BCF policy framework was updated in April 2024 to confirm funding allocations and metrics required. This required updated plans for 2024-25 to be submitted and confirmed funding conditions specific to the Adult Social Care Discharge Fund.
- 76 The Adult Social Care Discharge Fund for 2024/25 has been pooled into local BCF plans (as required by the grant conditions) and Section 75 agreements which are the agreements between the NHS and the Council underpinning the pooling. The funding will be provided through grants to local authorities and allocations via Integrated Care Boards (ICBs). The funding conditions and individual allocations for 2025/26 are yet to be announced, but the Finance Policy Statement issued by MHCLG on 28 November 2024 indicated that the funding given to Local Authorities for the Improved BCF and Discharge Fund Grants will be £2.6 billion in 2025/26 which is the same as the funding received in 2024/25.
- 77 The value of BCF funding for Leicestershire in 2024/25 is shown in the table overleaf:

	2024/25 £m	
NHS Minimum Allocation	51.5	Level mandated by NHS England
Discharge Fund	8.5	Allocated to both ICBs and local authorities to support safe and timely discharge from hospitals
IBCF	17.7	Allocated to local authorities, specifically to meet social care need and assist with alleviating pressures on the NHS, with emphasis on improving hospital discharge, and stabilising the social care provider market.
Disabled Facilities Grant	4.8	Passed to district councils
Total BCF Plan	82.5	

- 78 In 2024/25, £22.9m of the NHS minimum allocation into the BCF will be used to sustain adult social care services. The national conditions of the BCF require a certain level of expenditure to be allocated for this purpose. This funding has been crucial in ensuring the Council can maintain a balanced budget; unnecessary hospital admissions are avoided; and delayed transfers of care from hospital is minimised.
- 79 In addition to the required level of funding for sustaining social care service provision, in 2024/25 a further £7.9m of Leicestershire's BCF funding has been allocated for social care commissioned services. These services are aimed at improving carers' health and wellbeing, safeguarding, mental health discharge, dementia support and crisis response.
- 80 The balance of the NHS Minimum Allocation £20.7m is allocated for NHS commissioned out-of-hospital services. The County Council commissions community care services on behalf of the NHS through shared care and joint funding arrangements. The Council is reviewing these arrangements alongside the provision of CHC and Funded Nursing Care ensure residents are receiving optimal care and it is funded appropriately.
- 81 Any reduction in the funding for social care from the BCF would place additional pressure on the Council's MTFs, and without this funding there is a real risk that the Council would not be able to manage demand or take forward the wider integration agenda.

Other External Influences

- 82 There is several areas of funding that influence the achievability of the MTFs for the Department. For example, hospital discharge arrangements; increasing costs of care mainly due to in the National Living Wage and shortages of workforce in the care sector in certain rural areas.

Other Funding Sources

83 For 2025/26, the following other funding is expected to be received:

- Service users eligible for CHC - £8.9m through the Learning Disabilities Pooled Budget and for non-Learning Disability service users £21.2m;
- Social Care in Prisons Grant - £253,000 which is anticipated to be ongoing;
- Local Reform and Community Voices Grant - £52,000 for Deprivation of Liberty Services in Hospitals;
- War Pension Scheme Disregard Grant - £97,000;
- Funding to support Adult Learning from Skills Funding Agency estimated to be £4.1m.
- Improved BCF – Winter Pressures £3.5m;
- Adult Social Care Discharge from Hospital Grant - £4.1m.

Capital Programme

84 The proposed Department's capital programme totals £21.7m (see Appendix D). The main source of external funding for the programme is the BCF grant programme (£19.4m), which is passported to District Councils to fund major housing adaptations in the County. The balance of the programme (£2.3m) is discretionary funding.

85 The capital programme for the Department is traditionally relatively small. The only allocations are for future projects being developed with a focus on delivering long term revenue savings/operational improvements as part of the Social Care Investment Programme (SCIP) £2.3m, which involves the purchase and development of properties to meet the needs identified within the Social Care Accommodation Development Plan, which was approved by the Cabinet on 25 June 2019 and which are subject to business cases.

Future Developments

86 Below is a summary of a provisional capital bid expected to be made by the Department in relation to the Archives, Collections and Learning Hub. This has yet to be formally approved and are subject to business cases:

87 To co-locate the Council's archives, museums and learning collections into a single facility at the Eastern Annexe, including a publicly accessible search room. This project addresses the need for archival and museum storage that meets required standards, forms part of the service strategy to reduce the number of collection locations and helps ensure the County Council continues to meet its statutory duty in this area. Discussions are being held with Leicester City and Rutland Council, who are partners in the current Record Office, regarding their capital and revenue investment towards the shared element of the scheme. Should agreement not be made, the future of the partnership arrangement would have to be reconsidered, as would the scale of the investment required.

Background Papers

Report to the Cabinet: 17 December 2024 – Medium Term Financial Strategy 2025/26 to 2028/29 Proposals for Consultation

Delivering Wellbeing and opportunity in Leicestershire – Adults and Communities Department Ambitions and Strategy for 2020-24

Better Care Fund

Circulation under local issues alert procedure

88 None.

Equality and Human Rights Implications

89 Under the Equality Act 2010 local authorities are required to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation;
- Advance equality of opportunity between people who share protected characteristics and those who do not; and,
- Foster good relations between people who share protected characteristics and those who do not.

90 Given the nature of services provided, many aspects of the County Council's MTFS will affect service users who have a protected characteristic under equalities legislation. An assessment of the impact of the proposals on the protected groups must be undertaken at a formative stage prior to any final decisions being made. Such assessments will be undertaken in light of the potential impact of proposals and the timing of any proposed changes. Those detailed assessments will be revised as the proposals are developed to ensure decision-makers have information to understand the effect of any service change, policy or practice on people who have a protected characteristic.

91 There are several areas of the budget where there are opportunities for positive benefits for people with protected characteristics both from the additional investment the Council is making into specialist services and to changes to existing services which offer improved outcomes for users whilst also delivering financial savings.

92 If, as a result of undertaking an assessment, potential negative impacts are identified, these will be subject to further assessment.

93 Any savings arising out of a reduction in posts will be subject to the County Council's Organisational Change Policy which requires an Equality Impact Assessment to be undertaken as part of the Action Plan.

Human Rights Implications

94 Where there are potential Human Rights implications arising from the changes proposed, these will be subject to further assessment including consultation with the Council's Legal Services.

Appendices

Appendix A – Revenue Budget 2025/26

Appendix B – Growth

Appendix C – Savings

Appendix D – Capital Programme 2025/26 to 2028/29

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