

APPENDIX 2

Adult Social Care and Health Services Scrutiny Committee – Minute Extract

Medium Term Financial Strategy 2007/08 to 2009/10

The Committee considered a joint report of the Director of Adult Social Care and Health and Director of Resources providing information on the proposed 2007/08 to 2009/10 Medium Term Financial Strategy. A copy of the report, marked 'C', is filed with these minutes.

Leicestershire had the lowest funding increase of any Adult Social Care Authority. This, coupled with the desire to restrict council tax increases, meant that there was a need for some service reductions and increased charges notwithstanding the substantial efficiency savings being made.

The 2007/08 budget for the Adult Social Care Service showed a 4.5% increase in net expenditure year on year. The proposed budget included growth of £2.2 million in 2007/08 and a total recurrent growth requirement of £11.1 million by the third year of the plan. Savings of £1.5 million were included in 2007/08 and total recurrent savings of £4 million by the end of the third year.

Arising from discussion, the following points were raised:

(i) Elderly People's Homes (EPHs)

Whilst occupancy in Leicestershire County Council homes was high, demand for residential care placements in all sectors in Leicestershire was falling. The Adult Social Care Service would be reviewing the services it provided with a view to reshaping these to meet the changing demands and expectations of service users. The proposal to convert 2 in-house EPHs to extra care schemes, whilst generating revenue savings, was aimed at improving services. Detailed proposals would be put forward to the Cabinet in March/April and there would be an opportunity for this Committee to consider the proposals.

(ii) Introduction of a Maximum Funding Limit for Adaptations

The Committee was advised that each request for funding would be looked at on an individual basis and there would be flexibility within the scheme.

(iii) Home Care Charges

The proposed level of charges, whilst above inflation, would still leave the County Council in the lower third of authorities in terms of home care charges. Under the Fairer Charging Guidance only 29% of users

currently paid the maximum charge. Concern was expressed about the impact of these increases on service users, given the scale of the increases in 2006/07 and those proposed for 2007/08 and 2008/9.

(iv) Community Meals

The unit cost of a community meal was just over £5 and the proposed increase would reduce the level of subsidy. The Adult Social Care Service would also be conducting a review of the arrangements for community meals ahead of the expiry of the contract with a view to addressing the high unit costs. Again concerns were raised by some members about the impact on service users and take up.

(v) Welfare Rights

A detailed implementation plan had been developed, following approval in 2006/07, which envisaged a refocusing of the service to achieve efficiency savings.

(vi) Integrated Transport

It was anticipated that savings would be achieved through the more effective management of contracts.

RESOLVED:

That the Cabinet be advised that this Committee:

- (a) requests that the proposals to introduce a maximum funding limit for adaptations to homes of disabled people be reconsidered;
- (b) requests that consideration be given to the phasing in of the proposals to increase home care and community meals charges; and
- (c) notes and welcomes the commitment to improve services but can not support the possible closure of 2 elderly people's homes until such time as the Committee has had the opportunity of examining detailed proposals put forward in relation to the proposed new extra care schemes, having regard to concerns for the welfare of existing residents, the feasibility, sustainability and practicality of the proposals and arrangements for staff.