



SOCIAL CARE AND HEALTH COMMISSION 16 January 2006

Report of the Corporate Director, Corporate and Adult Social Services

Consultation on Draft Revenue Budget 2006/07 – 2008/09

RECOMMENDATION

- 1.1 That the members consider and comment on the Council's Draft Revenue Budget 2006/07 – 2008/09 that fall within the remit of the Social Care and Health Commission.

SUPPORTING INFORMATION

- 2.1 The Council's draft Revenue Budget document was released to members following briefing by the Leader of the Council on 9 January 2006. The proposed budget reflects the new administrations commitment to
- Limit the council tax in 2006/07 to inflation
 - Abolish charges for home care resulting in reduced fees of £900k.
- 2.2 The budget proposal for Social Services for 2006/07 is £66.9m an overall increase of 5.5%.
- 2.3 As the council is yet to finalise its proposals on the level of council tax for 2006/07, the detailed budget now presented demonstrates the scale of further savings that will be needed to deliver a council tax increase between 2% and 4% in 2006/07. Prior to making the final recommendation at its 21 February meeting, the Cabinet will be seeking to identify further sources of savings to address this gap. The final budget for 2006/07 will be approved by the Council at the 1 March meeting.
- 2.4 All the Commissions have an opportunity to consider the draft Revenue Budget and make recommendation on the proposals that fall within their respective areas of responsibility. The areas falling within this Commission's portfolio is contained in Appendix 3.

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Background papers: None
List of appendices: Appendix 1 – Implications
Appendix 2 – Social Services Budget Summary
Appendix 3 – Social Care and Health Commission portfolio

IMPLICATIONS

Financial

1. None arising from directly this report.

Legal

2. None arising from this report.

Personnel

- 3 None arising from this report.

Equalities impact

4. Recommendations concerning the Council's Revenue budget have the potential to be of benefit to all Derby people.

Corporate objectives and priorities for change

5. The Council's Revenue Budget relates to all the Corporate Objectives and Priorities for Change.

Social Services Budget

Background

1. Social Services are provided on the basis of assessment of the individual's need in line with eligibility criteria agreed by the council and in accordance with national statutory requirements:
 - Vulnerable families and children
 - Adults of working age with disabilities
 - Older people who need help to maintain functioning
 - Carers
2. The Social Services budget is influenced by national and local planning agendas which include amongst others issues; the drive to improve outcomes for looked after children, increase stability of placements, improved education and better post adoption support. Derby is also seeking to reduce the number of children in care and bring them in line within our comparator authorities, reduce the number of children in externally purchased placements and recruit and retain more in-house foster cares and adopters. The actions for Children and Young People's services will relate to the over-arching **Children and Young People's Plan** for the city. The Draft Revenue Budget document provides more details on page 152.
3. The broad vision for the future of adult social services is in line with the Green Paper 'Independence, well being and choice' which seeks to increase the numbers of people supported to live at home with greater choices of housing and care options. The adult social services are also likely to be affected by the proposals to reduce the number of PCTs in the city and save management costs. Derby specific planning proposals also include the aim to reduce the numbers of people in residential and nursing care, increase numbers in intensive home support and modernising home care. More details are given in page 154.

Revenue Budget Proposals

4. Social Services manage a gross budget of £93.5m, which includes income from service users, NHS funding and other special grants, many of which are ring fenced. The proposed cash limit for 2006/7 is £66.3m which currently gives a shortfall of £512K. This will need to be addressed to balance the budget before the final recommendation is made to the Council.
5. The available budget is concentrated on maintaining a safe service for vulnerable adults and children at the highest level of need and risk. It proposes to stop providing some services to people with lower levels of need -Page 162.

6. The key issues affecting the 2006/07 budget in the children and family services include:
 - provisions for increased costs of externally purchased placements in addition to £300k for shortfall in current number of looked after children in foster care
 - £758k for new pressures such as from ongoing costs of CLA, in-house fostering allowances whilst making budget savings of £713k through managing vacancies, efficiency savings and deletion of 6 fte community care worker and family support worker posts
 - no contribution from social services contribution to the 06/07 tapering of the Gatsby project funding to improve education of looked after children- the Corporate Parenting Joint Sub Commission recommended to the Council Cabinet in July 05 to improve the education of Children Looked After and explore other funding streams to meet the shortfall in the funding of the Gatsby Project when the grant from the Gatsby Foundation expires in October 2006
7. The adult services budget is affected by demographic changes, reduction in Supporting People income and the effects of higher national standards. It proposes to meet the demand for intensive home care for older from within existing home care services and will support the objective of reducing the number of elderly people placed in long term care.
8. The adult services budget has identified new pressures from Supporting People and physical and learning disability totalling £916k. It also proposes to make a saving of £1.525m from a variety of measures listed in such as income from intensive home care packages and reduction in elderly long term care and new capital limits, detailed on page166 of the document.
9. A new proposal is being evaluated in relation to home care that establishes a capital limit. People with resources above a limit of £21500 would be treated in the same way as “self funders” and expect to provide their own service. To introduce this policy for new service users only from April 2006 would generate a much lower figure, estimate £25,000 in the first year.
10. The Resources and Performance Management element of the budget has identified £97k for new pressures and new developments whilst making a budget savings of £546k, principally from a reduction in finance employee cost as well as other areas.
11. A number of risks have been identified (page 167) which will form part of the services’ risk register for 2006/07.

12. The current budget being £512k over the cash limit will have knock on effects in the following years of £1.95m in 2007/08 and rising to £2.12m in 2008/09.

Social Care and Health Commission portfolio

Commissions may only scrutinise services listed in their respective area of responsibility in the constitution. The Social Care and Health Commission has the responsibility to scrutinise services provided by social services and local NHS health. The services areas covered by the Commission are:

- Children and Family Services
- Corporate Parenting
- Adult Services
- Assessment and Care Planning
- Social Services Support Services
- Health Improvement Planning
- NHS Health Services