

HAMPSHIRE COUNTY COUNCIL**Decision report**

Decision Maker:	Executive Member for Adult Social Care
Date of Decision:	16 January 2012
Decision Title:	Revenue budget report for Adult Services for 2012/13
Decision Reference:	3512
Report From:	The County Treasurer and Director of Adult Services

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1. Executive Summary

- 1.1. The unprecedented reduction in Government funding to local government over the period of the current Comprehensive Spending Review (CSR) has prompted the County Council to take decisive action, by introducing a financial strategy that will deliver the bulk of the four years savings in two years.
- 1.2. This report proposes a budget for Adult Services for 2012/13 in accordance with the Council's Medium Term Financial Strategy reported to Cabinet in October. The budget includes proposals for the second 8% reduction in spending consistent with the Corporate Efficiency Workstreams also reported to Cabinet in October and December.
- 1.3. The report also provides an update on the financial position for the current year. Overall the Department is expected to achieve a balanced budget after draw down of £7m from the Corporate Risk contingency, as agreed by Cabinet on 28 November 2011¹. Further detail is provided in section three of this report.
- 1.4. For 2011/12 a total of £24.4m savings were approved to meet the first 8% target, which had an additional full year impact of £4.9m. The target for 2012/13 is £21.2m and after adjusting for the additional full year savings, this leaves a balance of £16.3m which must be met by new proposals next year.

¹ Report to Cabinet 'Quarter Two Budget Monitoring – 2011/12' dated 28 November 2011.

- 1.5. The savings proposals for 2012/13 are set out in section five of this report and are analysed by workstreams in Appendix 1. The savings proposals are summarised in the table below :-

	£000
Corporate efficiency workstream savings	8,024
Departmental savings	8,313
Total	16,337

- 1.6. The detailed individual proposals that make up these savings together with the anticipated impact of making the savings are shown in Appendix 2.
- 1.7. The report also reviews the level of charges for the provision of services in section six and provides a summary of charges in Appendix 3.
- 1.8. The proposed budget for 2012/13 analysed by service is shown in Appendix 4 and the workforce implications of the budget proposals are set out in Appendix 5.
- 1.9. This report seeks approval for submission to the Leader and Cabinet of the revised budget for 2011/12 and detailed proposals for the 2012/13 revenue budget for Adult Services. The report has been prepared in consultation with the Executive Member and will be reviewed by the Safe and Healthy People Select Committee. It will be reported to the Leader and Cabinet on 3 February 2012 to make final recommendations to County Council on 23 February 2012.
- 1.10. The department's budget and performance strategies are developed in accordance with the Council's Equalities Policy and have regard to the most vulnerable in society. How budgets are used have a significant impact on the most excluded, and this budget report provides information on the spending plans that support the department's priorities. Further information on the Equality Impact Assessments completed in respect of the various savings proposals is provided within Integral Appendix B.

2. Context and Priorities

- 2.1. Following the CSR announcement last year local government was anticipating an average 28% reduction in Government funding across the Country. The impact of changes to the distribution methodology meant that the County Council's share of this reduction is relatively much greater, with a 25% reduction in the first two years alone. By the end of the CSR period it is anticipated that over 40% of formula grant will be lost.
- 2.2. The County Council had already been anticipating reductions of this magnitude and had put in place a strategy that sought to deliver the bulk of the four year savings over two years. The Medium Term Financial Strategy approved in July last year and updated in October consolidated this

position, re-iterating the need to meet the two tranches of 8% reductions in Departmental spending followed by a return to an annual efficiency target of 2% per annum from 2013/14 onwards. Other assumptions included in the strategy that have been built into the 2012/13 budget proposals are:

- changes to Council Tax levels will be zero or low
 - a pay freeze in 2012/13 followed by increases of 1% and 1.5% in 2013/14 and 2014/15 respectively (this will be amended in the next update of the MTFS following the Chancellors announcement on a pay limit of 1% increase for these two years)
 - general inflationary increases of 2.5% per annum
 - 'passporting' of any further losses of specific grant to the relevant services.
- 2.3. Since July, the County Council has also been developing its 'Open for Business' priorities, underlining the fact that despite the reductions in funding the County Council remains a large influential organisation committed to providing high quality services to the residents of Hampshire.
- 2.4. The Adult Services department has been developing its service plans and budgets for 2012/13 and future years in keeping with the 'Open for Business' priorities and the key issues, challenges and priorities for the Department are set out below.

Departmental Challenges and Priorities

- 2.5. The national and local vision for adult social care is for services to be delivered in a way that is personalised, integrated across health and social care with a strong focus on choice and control for individual service users and that takes account of issues of diversity and equality. Hampshire County Council also aims to build resilient communities which enable a culture of participation, so that people can look outwards to their communities for support, and to develop cost effective care solutions.
- 2.6. Hampshire County Council has a strong track record of transforming social care and has developed the 'Hampshire Model' which sets out our offer to the citizens of Hampshire. Our core offer is in three parts, what we offer to all adults and communities, support that is targeted but not means tested and long term care and support, which is subject to eligibility criteria and means tested. This approach ensures that Hampshire County Council is able to maintain eligibility for adult social care at substantial and critical.
- 2.7. A key focus of this is firstly the provision of early intervention and prevention services to the wider community to help prevent or delay the need for more targeted social care interventions. This includes the delivery of information, advice and assistance to people who have not had or do not want an assessment, or who are not eligible for services. Hampshire County Council is also stimulating the development of sufficient types of services and support in the local market.
- 2.8. The second focus is targeted social care services for carers, those who need immediate safeguarding from abuse and people in crisis, provided

- following an assessment but not means tested. This is about ensuring better outcomes for individuals and minimising long term care interventions.
- 2.9. The third is targeted services, following a community care assessment and a financial means test and will include long term support. This includes developing better care and support solutions that maximise independence and reduce costs, such as Extra-Care housing.
 - 2.10. Despite very challenging efficiency savings targets, where ever possible existing services have been protected, a position supported by a recent report published by disabled charity Scope in 2011 which commended Hampshire County Council for it's efforts in preserving frontline care services for its disabled residents.
 - 2.11. The recommendations of the Dilnot Commission were announced in July 2011. The Department of Health have undertaken a major engagement exercise in response which could subsequently lead to an Adult Social Care White Paper. The Department of Health is also undertaking preparatory work on issues which will need to be addressed if the recommendations of the Commission are implemented. However, one of the most significant implications is that it will lead to a large increase in the level of local authority spending on adult social care and the current planning assumption is that additional Government funding will need to be made available to support such a new responsibility.
 - 2.12. The strategy to extend the development of Extra-Care Housing (Project Extra-Care) was approved by Cabinet in October 2011². Work will now begin in resourcing and planning the implementation of these proposals.
 - 2.13. The Learning Disabilities Transformation programme (to transform 9 residential and 12 main day services for adults with learning disabilities) was agreed at the Policy and Resources Decision day in October 2011³.
 - 2.14. Partnership working with Health will continue to be a focus and a challenge for the department over the coming year. The significant changes in both commissioning and provider organisations in the NHS represent a threat to maintaining effective partnerships. They also provide some significant opportunities, arising from the leadership role for upper tier authorities through the Health & Wellbeing Boards, the integration of Public Health and the opportunity to forge a new relationship with GP lead commissioning. A piece of work is underway to assess all current areas of partnership working with health.
 - 2.15. Following the changes to the budget for 2011/12 a detailed piece of work was commissioned to examine complexity and demography pressures over the medium term. A statistical basis was used to derive forecasts, based on past Adult Services trend data relating to care packages over the last five

² Report to Cabinet 'Modernisation of Adult Social Care – Project Extra-Care' dated 24 October 2011.

³ Report to the Executive Member for Policy and Resources 'Transformation of Adult Learning Disability Services – Business Case and Asset Implications' dated 27 October 2011.

years (up to 2010/11) and the Council's small area population forecasts (SAPF).

- 2.16. Using this information, forecasts of future budget pressures have been produced and incorporated into the forward budget from 2012/13 onwards. The organisation now has this reliable data set, the quality of data will continue to be built upon and developed in order to ensure it remains valid for future budget projection purposes.

3. 2011/12 Budget

- 3.1. The cash limited budget for 2011/12 included savings of £24.4m to be delivered during the year. All departments are monitoring achievement of savings as part of the normal budget monitoring process for the year. At the end of December £19.8m of savings had been delivered and £3.1m were still on target to be delivered.
- 3.2. The remaining balance of £1.5m is not expected to be achieved during the current financial year. A significant proportion of this is due to slippage in the NHS led Campus re-provision programme which is delaying the transfer of learning disability clients to adult services and our ability to review and implement cost effective care packages (approximately £1m). The implementation of electronic domiciliary care monitoring (EDCM) system has also been re-phased in order to bring providers on line with minimal disruption to service users and this is now expected to be implemented from 1 April 2012.
- 3.3. The budget for the department has been updated throughout the year and the revised budget is shown in Appendix 4. This incorporates the additional £7m draw down from the corporate risk contingency for complexity and demography pressures as agreed by Cabinet on 28 November 2011⁴. The expected outturn forecast for 2011/12 is a budget pressure of £1.2m. This position reflects the anticipated slippage against the efficiency savings for the transfer of Learning Disabilities clients from Health and the implementation of EDCM as noted above, which have been slightly offset by other one-off savings achieved. However, as agreed by Cabinet on 19 December 2011⁵, slippage against these efficiency savings will be funded from draw down against the corporate risk contingency this year (£1.2m on a one-off basis), and as such the department expects to achieve a balanced budget.

⁴ Report to Cabinet 'Quarter Two Budget Monitoring 2011/12' dated 28 November 2011.

⁵ Report to Cabinet 'Efficiency, Expenditure Reduction and Transformation: 2011/12 – Report No. 6' dated 19 December 2011.

Budget 2012/13

4. Revenue Pressures and Initiatives

- 4.1. In line with the approach undertaken during 2011/12, work has continued to review the forecast demography and complexity pressures that are expected to emerge across Adult Social Care during 2012/13 and beyond, based on actual activity and the average cost of packages during the remainder of the current financial year. This will be monitored closely during the year and updates provided to the Executive Member in the quarterly budget monitoring reports.
- 4.2. A legally binding Section 256 agreement is in place regarding the Department of Health funding for 2011/12 (£12.6m) and 2012/13 (£12.2m) removing any potential funding risks.
- 4.3. The NHS Operating Framework for 2013/14 and 2014/15 has confirmed that this funding will continue, although the amount of funding which will be received is still to be confirmed. It is also unclear how this will be paid in future (e.g. as part of the Revenue Support Grant or via the new Clinical Commissioning Groups (CCGs) which are due to come in to effect from April 2013). Depending on the payment mechanisms put in place to facilitate continuation of any funding transfer between the Health sector and the County Council, this could present a financial risk to the department and the services it currently provides.

5. Revenue Savings Proposals

- 5.1. Each Department is required to deliver a second year of 8% savings to contribute towards the overall target of £45m in 2012/13. The target for Adult Services is £21.2m.
- 5.2. The savings for Adult Services that were approved for 2011/12 had an additional full year impact of £4.9m which comes into effect in 2012/13 and helps to meet the second 8% savings required for 2012/13. This leaves a balance of £16.3m for which new savings proposals are required.
- 5.3. A confidential report on the initial Phase Four Workstream Proposals was presented to Cabinet on 24 October and was updated in December. This highlighted that around £24m of savings had been identified and that there was a broad expectation that the cumulative value of the workstreams will contribute at least 50% of the overall £45m 2012/13 savings requirement.
- 5.4. Appendix 1 details the savings proposals for Adult Services between the Phase Four Workstreams and Departmental savings. It shows that just under 50% of the savings for Adult Services are being delivered through the Phase Four Workstreams.

5.5. These are summarised in the table below:

	£000
Full year effect of 2011/12 savings	4,877
New proposals in 2012/13:	
Phase Four corporate efficiency workstream savings	8,024
Departmental savings	8,313
Total savings in 2012/13	21,214

5.6. These savings proposals mainly focus on achieving efficiencies without the need to impact on service delivery, maintains the Hampshire model of adult social care and levels of eligibility at substantial and critical. The main themes of the 2012/13 savings programme builds on the principles set out in the current budget and include providing cost effective care packages and achievement of further procurement savings, supporting and maintaining independence through reducing admissions to long-term residential care (both in-house and purchased) through maximising use of reablement and other crisis services with the aim of keeping people in their own home for longer. Other areas of savings include further reductions on workforce levels, client transport efficiencies, learning and development and housekeeping efficiencies, in particular focusing on staff travel expenses and reducing use of external conference facilities.

5.7. One particular issue to note regarding achievement of the Phase Four efficiency savings is the further challenging target for contract negotiations (£4.5m). This will mainly focus on achieving savings across adult social care services including further savings for residential, nursing, domiciliary, day care and supported housing services, which are in addition to savings already achieved during 2011/12 and the further Phase One savings target set for the department for procurement in 2012/13 (£900,000 for domiciliary care and £300,000 for LD high-cost placements).

5.8. A more detailed summary of the draft savings proposals for 2012/13 is contained in Appendix 2 which shows the estimated impact on workforce levels and the forecast full year impact from 2013/14 onwards. The Appendix also provides information on the type of savings proposals categorised over Efficiencies, Income Generation or Service Reductions. The table below summarises the split of savings between these categories:

	£000
Efficiencies	14,595
Income Generation	1,018
Service Reductions	724
Total	16,337

- 5.9. Appendix 2 also highlights 4 areas of risk within the departmental targets relating to in-house service efficiencies, the review of workforce levels, the reduction in the use of purchased residential care and additional income generation (e.g. from external organisations and client contributions for chargeable services). The department must ensure that the timing of delivery is tightly controlled and that the stability of the service is not compromised during the transition period. The risk at the current time is estimated to be in the range of £1m to £3m, which is a timescale issue regarding 2012/13, not ultimately a risk of non-delivery.
- 5.10. In line with the approach taken in 2011/12, a central contingency will be maintained to mitigate this risk and will provide for any slippage to programmes in case full delivery cannot be achieved until 2013/14.
- 5.11. These new savings proposals will result in a further workforce reduction of 165 full-time equivalent (FTE) positions, of which 53 FTEs relate to the planned transformation of LD in-house services. A further 30 FTEs are also proposed to be reduced from non-front line services through restructuring support functions, and it is anticipated that a significant proportion of this can be achieved through offering voluntary redundancy to the members of staff who will be impacted by these changes. The remaining 82 FTE post reductions will be achieved through deletion of vacancies and through future staff turnover.
- 5.12. During 2010/11 the department under spent against its revenue budget by approximately £6.8m. This has been held in an earmarked reserve and is available to the department to offset any costs associated with implementation of the transformation programme required to achieve the full extent of efficiency savings for both 2011/12 and 2012/13. This includes the cost of redundancy payments to be met by the department, and the cost of this further workforce reduction is expected to be contained within the remaining funding available. In addition a proportion of this may also be required to support further anticipated slippage in savings during 2011/12.

6. Review of charges

- 6.1. For Adult Services, the 2012/13 revenue budget includes income of £93.5m from fees and charges (including client contributions). This is an increase of £7.3m (8.5%) on the adjusted original budget for 2011/12. This includes additional income expected to be achieved in relation to the implementation of the new contributions policy of £4.7m in 2012/13⁶ (full-year effect), a further general income target of around £1m (part of the 2012/13 savings proposals), inflation of £1.8m and other minor adjustments required to realign income and expenditure budgets.
- 6.2. Service users receiving care at home and in the community are financially assessed to determine how much they need to contribute to their

⁶ The income target of £4.7m relating to the new client contributions policy is a corporate target and is in addition to the department's 8% savings targets for 2011/12 and 2012/13.

Chargeable Personal Budget. This calculation is based on their means and results in their maximum contribution. Above the maximum contribution the County Council bears the cost of the care which may include an uplift in the care fees that it pays. Service user's contributions will be re-assessed in light of any increase in their resources.

- 6.3. Details of current and proposed fees and charges (where these are specifically defined) for 2012/13 are outlined in Appendix 3. However, as stated above, the actual amount a service user will contribute is calculated against the actual cost of their care so not all services are included in the appendix. All proposed charges included in the appendix take in to account inflation increases (as assumed in the 'Medium Term Financial Strategy' - 2.5% for general increases), and have been adjusted to ensure that they are divisible by seven days for residential and nursing respite care.

7. Other expenditure

- 7.1. The budget includes some items which are not counted against the cash limit. This includes budgets for central department support services (except where they have been given to service departments to buy services), and repair and maintenance of buildings. It also includes costs of Member Support within Adult Services and budgets that are rechargeable to Policy and Resources for corporate and democratic core services.

8. Budget summary 2012/13

- 8.1. The budget update report presented to Cabinet in December included provisional cash limit guidelines for each department. The cash limit for Adult Services in that report was £302.4m.
- 8.2. The amended cash limit position for this Department for 2012/13 is £302.5m. Appendix 4 sets out a summary of the proposed budgets for the service activities provided by the Department for 2012/13 and show that these are within the amended cash limit set out above.
- 8.3. The net expenditure budget for the department is £259.6m. This is calculated by taking off income from total expenditure, as shown in the table below :-

	2012/13 £000
Total expenditure	395,956
Income other than Government grants	93,490
Cash Limit	302,466
Government Grants:	
- Learning Disability and Health Reform grant	42,878
Total net expenditure	259,588

- 8.4. This net position excludes central items such as repairs and maintenance, support service charges and capital charges which will be added as part of the overall budget reported to Cabinet and County Council in February.

9. Workforce implications

- 9.1. The workforce implications of the proposed budget for 2012/13 are set out in Appendix 5. At the end of 2012/13 the planned workforce for Adult Services is 3,005 full time equivalent (FTE) staff. This compares with the estimate at the end of 2011/12 of 3,170 FTEs which is a reduction of 165 FTEs as summarised below:

	FTEs
FTE staff as at 31 March 2012 ⁷	3,170
Changes relating to savings targets	(165)
FTE staff as at 31 March 2013	3,005

10. Conclusion

- 10.1. This report outlines the key issues and proposals for the Adult Services Department budget for 2012/13, including savings proposals to meet the second 8% savings target.
- 10.2. The risks associated with achieving these proposals, as set out within this report, include:
- timescales associated with the HR processes for staffing efficiencies
 - further challenging targets for additional Phase One and Phase Four efficiency savings for contract negotiations, focusing on delivering savings across a range of Adult Social Care services
 - additional demography and complexity pressures not reflected within the 2012/13 budget. Any financial pressure emerging as a result of these will be monitored closely and reported to the Executive Member as part of the quarterly reporting cycle.
- 10.3. Equality Impact Assessments have been undertaken in respect of the main savings proposals, and, where appropriate, mitigating actions have been identified. The aim has been to focus on efficiencies that do not directly impact on service users and carers. The Departmental Management Team will monitor progress against all savings proposals on a regular basis, and highlight issues with the Executive Member where appropriate.

⁷ Full-time equivalent staff as at the 31 March 2012 includes full-year effect reductions relating to 2011/12 savings targets.

11. Recommendations

To approve for submission to the Leader and Cabinet:

- 11.1. The proposals for savings totalling £16.3m, which together with the full year impact of 2011/12 savings of £4.9m meet the 8% target of £21.2m set for Adult Services in 2012/13 (as set out in Appendix 1 and 2).
- 11.2. The annual review of income and charges (as set out in Appendix 3).
- 11.3. The revised budget for 2011/12 (as set out in Appendix 4).
- 11.4. The summary budget for 2012/13 (as set out in Appendix 4).
- 11.5. The workforce implications of the proposed budget for 2012/13 (as set out in Appendix 5).

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	Yes
Corporate Business plan link number (if appropriate):	
Maximising well-being:	Yes
Corporate Business plan link number (if appropriate):	
Enhancing our quality of place:	Yes
Corporate Business plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Adult Services Department Revenue Budget 2011/12	2502	28 January 2011
Budget Monitoring - 2011/12 Quarter 2	3465	25 November 2011
Direct links to specific legislation or Government Directives		
<u>Title</u>		<u>Date</u>
None		

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. The department's budget and performance strategies are developed in accordance with the Council's Equalities Policy and have regard to the most vulnerable in society. It is the nature of Adult Services business that it works predominantly with people that are vulnerable and groups that may face discrimination in society, for example older people, people with disabilities, carers and people with mental health problems. The social care workforce also has a high proportion of female workers.
- 1.2. How budgets are used have a significant impact on the most excluded. The operational Directors have lead responsibility to ensure that impact assessments take account of the needs of these groups. This budget report provides information on the spending plans of the Directorate which support the priorities of the department.
- 1.3. High level equalities impact screenings have been carried out in respect of the savings proposals included in this report. These have been used to identify where there is likely to be an impact on service users or staff, and where impacts have been identified a full equalities impact assessment either has or will be carried out. An overview of the impact assessments for the 2012/13 budget is available from <http://www3.hants.gov.uk/as-equality-ia-archive.htm>. A summary of this is provided below, and where appropriate comments have been cross referenced to the savings proposals outlined in Appendix 2.
- 1.4. Plans to review older people's day services (part of savings proposal AS2) are in the early stages and will be subject to consultation and a full equality impact assessment will be completed as more detailed proposals are identified, and prior to implementation of the changes required to deliver the savings. There will be an impact on older people, although the project is aimed at better meeting the needs of people with dementia in particular.
- 1.5. Many of the savings proposals have low or no impact identified, and relate to efficiency savings which will have minimal effect on clients or staff. These include: AS4 which will result from savings in staff travel; and AS7 which will make savings in transport by identifying areas where transport will be shared, and retender contracts with the aim of reducing the price.
- 1.6. Saving proposal AS1 which includes workforce efficiencies will have an impact on County Council staff, and will enable the department to look at different models for providing services. Proposals for a new structure are currently being consulted upon, and any impact on the workforce will be mitigated by a period of formal consultation, and by offering voluntary redundancy to those staff affected. In the event of any selection process being required, this will be undertaken in line with the County Council's fair recruitment policies. The proposals are not intended to have an impact on any specific group. Proposals for savings in learning and development will be carefully monitored to ensure no group of staff is disadvantaged, for example through lack of access to IT for e-learning.
- 1.7. Proposals for procurement efficiencies (AS2) will have no impact on staff or service users, as they will provide the same services for a lower price as a result of negotiations with providers. They may impact on the staff of service providers. Discussions with provider continue to try to mitigate these potential impacts. The review of Supporting People contracts has been underpinned by extensive

consultation with providers, service users and stakeholders, and the team will monitor quality and performance to ensure that any impact is identified and addressed.

- 1.8. Savings proposals for Learning Disability Transformation (AS9), income from the new Contributions Policy (AS15), and the strategic review of housing support to older people have been subject to extensive consultation processes. Impact assessments of these proposals have identified impacts for the older people and people with disabilities who are the recipients of these services. In general the impacts identified have been positive, and involve transforming services to offer these groups more choice and control over the social care services they receive, and ensure that services are more person-centred. The department is working closely with individuals and providers to ensure due regard is given to equalities issues and that no group is disadvantaged. Eligibility for services is determined by Fair Access to Care Services (FACS) criteria. Need is the primary requirement, and this, where required, will include considerations covered by equalities legislation. Positive impacts have also been identified for carers as a result of these proposals.
- 1.9. Proposals AS12 and AS13 will impact on older people in a positive way, as they will put in place services which will enable older people to retain more independence and stay in their own homes for longer. Reablement services and Extra-Care Housing will be offered equally to all groups, and the department will work with providers to ensure the eligible needs of all those with protected characteristics are met, with due regard given to equalities.
- 1.10. The remaining savings will be realised from the full year effect of changes which were made in 2011/12, which will have no further impact in 2012/13.
- 1.11. Full equalities impact assessments for the following savings proposals can be accessed at the links below:
 - [Electronic Domiciliary Care Monitoring](#)
 - [Contract negotiations](#)
 - [Supported housing services](#) – review of services to older people
 - [Extra-Care Housing New Forest Schemes](#)
 - [Learning Disability Transformation Programme](#)
 - [Contributions Policy](#)
 - [Learning and development efficiencies](#)
 - [Negotiation teams and domiciliary care providers in Hampshire with business in excess of £2m pa.](#)

2. Impact on Crime and Disorder:

- 2.1. The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all the decisions it makes on the prevention of crime.
- 2.2. The proposals in this report are not considered to adversely affect the prevention of crime.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

All relevant developments within the revenue budget and capital programme are subject to specific, detailed assessments. Energy conservation, and where applicable enhancing biodiversity, are priorities for all major building schemes and the revenue budget includes an allocation to specifically encourage sustainability initiatives.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Where appropriate capital schemes are planned with adaptation to climate change in mind, such as the inclusion of passive cooling through building design, rain-water and grey-water harvesting, drought resistant planting etc.

Where appropriate revenue efficiencies have been identified with climate change in mind, this includes travel, food wastage in in-house homes.

Adult Services
Summary of Phase Four Corporate Efficiency Workstreams

Corp. Workstream Ref.	Description	Savings
		£'000
C2.2	Further Reviews of Workforce levels	3,130
C9	Contract Negotiations – next Phase	4,492
C22	Learning and Development – next Phase	202
C29	Housekeeping	<u>200</u>
	Total Phase Four Workstreams	8,024
D	Departmental Savings	8,313
	Total Savings	<u>16,337</u>

Adult Services

Expenditure Reduction Options – New Savings Proposals to Meet 8 % Target

Ref.	Savings Type	Corp. Prog. Ref	Service Activity	Description	Risk alert	Impact / Issues	2012/13		Full Year	
							£000	FTE	£000	FTE
AS 1	E	C2.2	Various adult social care and support services	Further reduction in workforce including senior management reductions and those at grade G and below. Includes continuation of recruitment moratoria with decisions around timing of recruitment to vacancies to be based on service need and safeguarding requirements	Y-med / low	Efficiency savings - proposed structures are currently being consulted on.	(3,130)	(112.0)	(3,130)	(112.0)
Further Review of Workforce Levels							(3,130)	(112.0)	(3,130)	(112.0)
AS 2	E	C9	Residential, nursing care, domiciliary care, day care and supporting people services across all adult social care client groups	A range of efficiency proposals including contract negotiations with service providers for residential and nursing care, and further savings for domiciliary care following implementation of the Electronic Domiciliary care monitoring project in 2011/12. In addition, review of commissioning of Day Care for Older People based on anticipated future demand/needs. Renegotiation/re-tender of supported housing services and housing support services.		These are efficiency savings and are not expected to impact on core service delivery.	(4,492)		(4,492)	
Contract Negotiations							(4,492)		(4,492)	

Ref.	Savings Type	Corp. Prog. Ref	Service Activity	Description	Risk alert	Impact / Issues	2012/13		Full Year	
							£'000	FTE	£'000	FTE
AS 3	E	C22	Various adult social care support services	Identification of efficiency savings on non-staff related expenditure (e.g. conference expenditure, training venues etc).		These are efficiency savings and are not expected to impact on service delivery to clients	(202)		(202)	
				Learning and Development			(202)		(202)	
AS 4	E	C29	Various adult social care support services	Review of areas of expenditure where further potential efficiency savings are expected to be achievable (e.g. staff travel)		These are efficiency savings and are not expected to impact on service delivery to clients	(200)		(200)	
				Housekeeping			(200)		(200)	
				Total of Phase Four Workstreams			(8,024)	(112.0)	(8,024)	(112.0)

Ref.	Savings Type	Corp. Prog. Ref	Service Activity	Description	Risk alert	Impact / Issues	2012/13		Full Year	
							£'000	FTE	£'000	FTE
AS 5	E	D	Services for older people	Reduction in use of Purchased Residential Care - development of extra care schemes are expected to reduce use of purchased residential care, using domiciliary care instead. Reduce long-term admissions to residential care and maximise use of in-house residential provision where appropriate.	Y-med	Risk relates to our ability to reduce admissions to long term care, and the timing of the development of extra care schemes.	(1,895)		(1,895)	
AS 6	E	D	Services for clients with Learning Disabilities	LD supported living model - review of LD clients in residential care to consider whether the 'supported living' model of care provision would be more appropriate to meet their needs.		Increased client independence and improved outcomes for clients.	(215)		(215)	
AS 7	E	D	Transport provision for clients with Learning Disabilities, older people and those with physical disabilities	Client Transport Efficiencies - a review of all current transport arrangements for clients attending college or other day activities.		These are efficiency savings and are not expected to impact on core service delivery to clients	(400)		(400)	
AS 8	E	D	Community development support across all areas of adult services	Early Intervention and Prevention - review of community development support currently provided to identify efficiencies in service delivery.		These are efficiency savings and are not expected to impact on service delivery to clients	(200)		(200)	

Ref.	Savings Type	Corp. Prog. Ref	Service Activity	Description	Risk alert	Impact / Issues	2012/13		Full Year	
							£'000	FTE	£'000	FTE
AS 9	E	D	In-house services for clients with Learning Disabilities	LD In-house Services - efficiencies expected to be achieved as a result of LD transformation programme.		These are efficiency savings and are not expected to impact on service delivery to clients	(497)	(53.0)	(497)	(53.0)
AS 10	E	D	Support to adult social care services	Other Department Efficiencies - reduction in non-operational budgets required for 2012/13.		These are efficiency savings and are not expected to impact on service delivery to clients	(140)		(140)	
AS 11	E	D	In-house services provided to Older People and clients with Learning Disabilities and Physical Disabilities	In-house service efficiencies - achieved following a review of current expenditure and bed usage. Also placing early on-set dementia clients in in-house residential older person homes rather than using purchased residential care where appropriate by maximising occupancy.	Y - high	These are efficiency savings. Risk relates to ability to deliver further efficiencies without impacting on safety and standards of service.	(1,179)		(1,179)	

Ref.	Savings Type	Corp. Prog. Ref	Service Activity	Description	Risk alert	Impact / Issues	2012/13		Full Year	
							£'000	FTE	£'000	FTE
AS 12	E	D	Care packages for older people, clients with learning disabilities and physical disabilities	Cost Effective Purchasing Care Packages - review of packages to ensure department 'offer' is correctly and consistently applied where clients have eligible needs. Telecare will also be used to maximise independence and reduce (where appropriate) use of domiciliary care and avoid admission where possible to residential care.		Ensure only eligible needs of clients met. Improved outcomes for clients/ maximise effective care packages/ more equitable service	(1,257)		(1,257)	
AS 13	E	D	Services for Older People	Crisis Model - providing reablement services to older people in crisis to maximise the clients independence and minimise ongoing care costs. Maximise use of available reablement beds and welcome home contracts following hospital discharge, also reducing delayed discharge fines.		Improved outcomes for clients/ increased efficiency	(788)		(788)	
AS 14	R	D	Supporting People services for all adult social care client groups	Supporting People - strategic review of supported housing services and housing support services.		These are efficiency savings and are not expected to impact on service delivery to clients	(724)		(724)	

Ref.	Savings Type	Corp. Prog. Ref	Service Activity	Description	Risk alert	Impact / Issues	2012/13		Full Year	
							£'000	FTE	£'000	FTE
AS 15	I	D	Income generation in respect of Adult Social Care Services	Income and Contributions - maximising opportunities to generate additional income from external organisations and contributions from clients in respect of chargeable services.	Y-high / med	Efficiency saving through maximisation of income generation.	(1,018)		(1,018)	
Departmental Savings							(8,313)	(53.0)	(8,313)	(53.0)
Grand Total							(16,337)	(165.0)	(16,337)	(165.0)

Adult Services**Review of income 2012/13**

	Current charge	Total income (Budget 2011/12)	Date of last review	Planned date for next review	Proposed increase (if proposed now)	Proposed new Amount	Is charge subject to an assessment scale determined locally? Yes/No
	£	£000				£	
<u>Mandatory/National Charges</u>							
Full Cost Weekly Charge (HCC in-house residential and nursing establishments, including respite services)							
Nursing Care for Older People	497.00	7,772	Apr-11	Apr-12	14.00	511.00	No
Residential Care for Older People	441.00	5,863	Apr-11	Apr-12	14.00	455.00	No
Residential Care for Elderly Mentally Infirm	497.00	In above	Apr-11	Apr-12	14.00	511.00	No
Residential Care for people with Physical or Sensory Disability	980.00	84	Apr-11	Apr-12	28.00	1,008.00	No
Residential Care for Adults with a Learning Disability	882.00	164	Apr-11	Apr-12	21.00	903.00	No
Orchard Close – Standard Week	742.00	1	Apr-11	Apr-12	21.00	763.00	No
<u>Discretionary Charges</u>							
Service user contributions for non-residential care (chargeable services) are calculated based on the actual cost of care provided to service users							
<u>Other Charges</u>							
Meals for Adults:-							
Day Services for Older People & Adults, Meals on Wheels and Luncheon Clubs per meal	3.30		Apr-11	Apr-12	0.10	3.40	No
Hire of Rooms – per hour	27.60		Apr-11	Apr-12	0.80	28.40	No

This appendix outlines the proposed charges for in-house nursing and residential services and other specific discretionary charges only. Purchased nursing and residential service charges may be uplifted following consultation with providers. Service users receiving care at home and in the community are financially assessed to determine how much they need to contribute to their Chargeable Personal Budget. This calculation is based on their means and results in their maximum contribution. Above the maximum contribution the County Council bears the cost of the care which may include an uplift in the care fees that it pays. Service user's contributions will be re-assessed in light of any increase in their resources.

**Adult Services
Budget summary 2012/13**

Service Activity	Original Budget 2011/12 £000	Revised Budget 2011/12 £000	Proposed Budget 2012/13 £000
Service Strategy and Regulation	520	636	597
Older People (aged 65 or over)	129,255	130,671	121,999
Adults under 65 years with Physical or Sensory Impairment	28,549	29,536	29,661
Adults under 65 years with Learning Disabilities	106,956	109,223	106,680
Adults under 65 years with Mental Health Needs	12,306	14,165	14,182
Supported Employment	655	642	638
Other Adult Services	1,875	2,125	1,393
Supporting People	27,814	27,814	25,630
Unallocated budget	1,616	638	1,347
Non-distributed costs	355	355	339
Total	309,901	315,805	302,466

**Adult Services
Workforce implications**

Service Activity	Estimated Staff Numbers (full-time equivalent)⁸ 31.3.2012	Transfers & Other Changes	Impact of Savings Proposals	Estimated Staff Numbers (full-time equivalent) 31.3.2013
Older People (aged 65 or over)	1,877	-	(76)	1,801
Adults under 65 years with Physical or Sensory Impairment	323	-	(4)	319
Adults under 65 years with Learning Disabilities	511	-	(56)	455
Adults under 65 years with Mental Health Needs	124	-	(2)	122
Other Adult Services	15	-	0	15
Out of Hours	33	-	(1)	32
Management & Support	273	-	(24)	249
Supporting People	14	-	(2)	12
Total	3,170	-	(165)	3,005

⁸ The estimated staff numbers (full-time equivalent) incorporate the full-year effect impact of 2011/12 savings targets.