



HEALTH SOCIAL CARE AND WELLBEING SCRUTINY COMMITTEE – 13TH MAY 2014

SUBJECT: 2014/15 SOCIAL SERVICES REVENUE BUDGET

REPORT BY: CORPORATE DIRECTOR SOCIAL SERVICES

1. PURPOSE OF REPORT

- 1.1 To provide Members with details of the 2014/15 revenue budget for the Directorate of Social Services.

2. SUMMARY

- 2.1 The report provides details of the 2014/15 revenue budget for service areas within Social Services and briefly outlines the next steps to progress the budget strategy for 2015/16 and 2016/17.

3. LINKS TO STRATEGY

- 3.1 The budget reflects the agreed 2014/15 financial strategy for the Authority.
- 3.2 The detailed allocation of the budget across service areas will ensure that the Directorate is well placed to deliver its objectives, which in turn will support the achievement of the Authority's stated aims.

4. THE REPORT

4.1 2014/15 Revenue Budget

- 4.1.1 The Welsh Government's Revenue Support Grant (RSG) for Caerphilly CBC for the 2014/15 financial year is a reduction of 2.91% after adjusting for new responsibilities and transfers in i.e. a RSG decrease of £8.130m (including Outcome Agreement).
- 4.1.2 Members will recall that as a consequence of the financial settlement a package of savings totalling £14.2m was agreed to enable the Council to deliver a balanced budget for the 2014/15 financial year. Savings for the Directorate of Social Services amount to £2.062m.
- 4.1.3 The approved 2014/15 budget for the Directorate of Social Services totals £75,288,828. Full details are provided in Appendix 1 and the following table provides a summary of the key movements from the 2013/14 budget: -

	Children's Services £	Adult Services £	Business Support £	Total £
Revised Budget 2013/14	19,749,975	52,304,385	3,027,488	75,081,848
Movements: -				
Transfers into RSG		224,740		224,740
Demographic Growth		1,000,000		1,000,000
Budget Virements	(144,763)	251,032	420,986	527,255
Pay Inflation (1%)	76,920	276,428	14,790	368,138
Non-Pay Inflation (1.5%)	165,555	374,174	19,805	559,534
2014/15 Agreed Savings	(568,954)	(1,316,585)	(176,461)	(2,062,000)
Other Miscellaneous Adjustments	(20,322)	(60,553)	(329,812)	(410,687)
Original Budget 2014/15	<u>19,258,411</u>	<u>53,053,621</u>	<u>2,976,796</u>	<u>75,288,828</u>

- 4.1.4 Transfers into RSG include £54k in relation to specific grants for Learning Disabilities Resettlement and the Blue Badge Scheme that are being phased into the RSG. The balance of £171k relates to the First Steps Improvement Package, under which the Welsh Government has introduced a weekly cap on the amount that can be charged for non-residential services.
- 4.1.5 The demographic growth funding of £1m has been allocated to the Directorate of Social Services by the Council in recognition of the inescapable cost pressures impacting on the Adult Services Division as a consequence of increasing demand for services.
- 4.1.6 The most significant budget virements relate to the cost of the Care Home Fees Review concluded in March 2013, a transfer of funding from Social Services to Customer Services as a consequence of changes in the administration of the Blue Badge Scheme and a funding transfer into Social Services arising from savings following the termination of the lease at Enterprise House.
- 4.1.7 The inflation funding of £368k for pay and £560k for non-pay budgets reflects the increases approved by Council in determining the 2014/15 budget.
- 4.1.8 As mentioned in paragraph 4.1.2, the Directorate of Social Services has identified savings totalling £2.062m for the 2014/15 financial year. The full list of savings is attached at Appendix 2.
- 4.1.9 The Scrutiny Committee will receive regular budget monitoring reports throughout the financial year highlighting any issues arising and providing details of full-year projected spend. The month 7 budget monitoring report will also include an update on progress in delivering the agreed 2014/15 Directorate savings of £2.062m.
- 4.2 Financial Strategy for 2015/16 and 2016/17**
- 4.2.1 The indicative RSG settlement for 2015/16 is a further cut of 1.34%. In the absence of indicative figures from the Welsh Government for 2016/17 a further reduction of 1.34% is currently assumed. This will result in further estimated Council-wide savings of £6.5m for 2015/16 and £6.9m in 2016/17.
- 4.2.2 Members will recall that the budget strategy agreed by Council in February 2014 aims to deliver these savings through two main stands. The first of these is further proposals for Members to consider in respect of up to 3% efficiency savings, which will deliver approximately £5m. The second strand involves a review of discretionary services, with a view to identifying savings proposals totalling over £8m.

4.2.3 To ensure that full and proper consideration is given to savings proposals, a series of Special Scrutiny Committee meetings will be held over the coming months. For the Health, Social Care & Wellbeing Scrutiny Committee these meetings will take place on the 17th July 2014 and the 16th October 2014. If necessary further meetings will be arranged.

5. EQUALITIES IMPLICATIONS

5.1 This report is for information purposes so the Council's Equalities Impact Assessment (EqIA) process does not need to be applied.

6. FINANCIAL IMPLICATIONS

6.1 As identified throughout the report.

7. PERSONNEL IMPLICATIONS

7.1 The personnel implications of agreed savings will be carefully managed and where relevant staff will be fully supported to identify appropriate redeployment opportunities.

8. CONSULTATIONS

8.1 There are no consultation responses that have not been reflected in this report.

9. RECOMMENDATION

9.1 That Scrutiny Committee notes the content of this report.

10. REASONS FOR THE RECOMMENDATIONS

10.1 To ensure that the Scrutiny Committee is provided with full details of the 2014/15 revenue budget for the Directorate of Social Services.

11. STATUTORY POWER

11.1 Local Government Acts 1972 and 2000.

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Consultees: Social Services Senior Management Team

Cllr. R. Woodyatt, Cabinet Member for Social Services

Cllr. L. Ackerman, Chair of HSC&WB Scrutiny Committee

Cllr. B. Jones, Vice-Chair of HSC&WB Scrutiny Committee

Nicole Scammell, Acting Director of Corporate Services and S151 Officer

Appendices:

Appendix 1 – Social Services Revenue Budget 2014/15

Appendix 2 – Social Services List of Agreed Savings 2014/15