

BUDGET 2005/06

PROGRAMME AREA RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

24TH MARCH, 2004

Wards Affected

County-wide.

Purpose

To determine the allocation of the £1,000,000, provided within the approved revenue budget, for developing Older People's Services and ICT infrastructure.

Key Decision

This is a key decision because it is likely to result in the Council incurring expenditure above agreed budgets for the service or function (shown as a line in the budget book) to which the decision relates but allowing for virements between budget heads and savings within budget heads of up to £500,000. It was not included in the Forward Plan. A Notice in accordance with Section 15 of the Local Authorities (Executive Arrangements) (Access to Information) Regulations 2000 was sent to the Chairman of the Strategic Monitoring Committee.

Recommendations

That allocations of £500,000 each for Older People's Services and IT infrastructure be approved.

Reasons

A decision is required regarding allocation of the £1,000,000 provided for developing of Older People's Services and ICT infrastructure.

Considerations

1. Throughout the financial planning process building up to the determination of the 2005/06 Revenue Budget, Cabinet has recognised the need for further investment in both Older People's Services within Social Care and the need for further developing the Council's business critical ICT infrastructure. In setting the Revenue Budget for 2005/06, Council has approved an additional £1,000,000 specifically for that purpose.
2. Further consideration of the position has been given to the basis for the allocation of the £1,000,000 by the Chief Executive's Management Team. Acknowledging the business case for additional investment in both areas, notably the increasing number of older people requiring support and the ongoing maintenance and support costs inherent in developing the capacity and resilience of the Council's ICT network, an allocation of £500,000 to each area is recommended.

Further information on the subject of this report is available from
Mr I Hyson, County Treasurer on (01432 260235)

ICT

3. A report elsewhere on the Cabinet agenda details the investment required in the Council's ICT network. Ongoing revenue costs of £500,000 are required to support this investment.

Social Care and Older People's Services

4. The Director of Children's Services has identified the following priorities for investment should a further £500,000 be approved.

	£000
Intensive Home Care	350
Right Workforce - training	20
Performance Support Officers (3)	50
Reviewing officers (3)	<u>80</u>
	<u>500</u>

5. A further significant factor in relation to the Social Care budget is the impact of increased overspend reported for 2004/05, particularly in the area of Learning Difficulties. Notwithstanding the business case previously reported for additional investment in Older People's Services, the work underway to disaggregate to 2005/06 budget between Children's and Adult Services will need to ensure that spending is contained within approved resources.
6. A factor impacting on that process will inevitably be the pattern of current spending compared to the central government support, provided through the Revenue Support Grant mechanism. The position is illustrated in the following table:

	Formula Spending Share £000	Budget £000	Variance £000	Budget as a % of FSS
Elderly	21,195	17,104	(4,091)	81
Children's	8,375	10,039	1,664	120
Other	<u>10,436</u>	<u>12,775</u>	<u>2,339</u>	<u>122</u>
TOTAL	<u>40,006</u>	<u>39,918</u>	<u>(88)</u>	<u>100</u>

7. A further report is necessary detailing the proposed re-allocation of resources within the current Social Care budget and the measures necessary to ensure that spending is contained within the budget approved by Council.

Risk Management

The allocation of resources as recommended will assist in the delivery of the Council's key priorities.

Consultees

None.

Background Papers

None.