

NOTES of a meeting of the Cabinet Scrutiny Committee's Informal Member Group on Budgetary Issues held on Thursday, 11 January 2007

PRESENT: Mr D Smyth (Chairman), Mr C J Capon and Mr G Rowe (substitute for Mrs T Dean).

ALSO PRESENT: Mr N J D Chard, Cabinet Member for Finance and (for Item 2) Mr K G Lynes, Cabinet Member for Adult Services.

OFFICERS: Ms L McMullan, Director of Finance; Mrs C Head, Chief Accountant; Miss C Highwood, Director-Resources, Adult Services Directorate; Miss M Goldsmith, Finance Manager, Adult Services Directorate; and Mr S C Ballard, Head of Democratic Services

1. Notes of Previous Meeting
(Item 1)

Noted.

2. Adult Services Directorate Budget Position
(Item 2 – Annex 2 of Cabinet report, December 2006)

(1) Miss Highwood and Miss Goldsmith gave a brief overview of the current Adult Services budget position. Members' questions covered the following issues:-

Direct Payments (paras 1.1.3.3 and 1.1.3.4)

(2) Members noted that work to discover the precise reasons for the increase in Direct Payments was still ongoing. In answer to a question from Mr Smyth, Miss Highwood said that while one of the reasons was certainly unmet demand, there were also differences in costs and service levels between clients receiving domiciliary care and clients receiving Direct Payments.

(3) In answer to a question from Mr Rowe, Miss Highwood confirmed that the sole reason for introducing Direct Payments was to provide greater choice for clients.

SWIFT (para 1.1.4.1)

(3) In answer to a question from Mr Smyth, Miss Highwood explained that implementation of SWIFT was a large and complex exercise. Because of the sophistication of Adult Services' existing systems, it had to be done as a 'big bang'. As a result, when the system went live it took three weeks to transfer existing data, leaving a backlog of new data and report-writing. This backlog was being tackled as swiftly as possible but, in the meantime, all data was being collected manually to ensure that the Directorate had management information.

(4) Miss Goldsmith reported that the Directorate would shortly have up-to-date manual data on residential and nursing care clients. Unfortunately, there were too many domiciliary care clients to use a manual spreadsheet. However, this was a relatively small budget area and, because payment systems were automated, spend to date figures were available.

Delayed Transfers (para 2.1)

(5) In answer to a question from Mr Rowe, Miss Highwood said that, on average, only approximately one-third of the delays were attributable to Adult Services; the remaining two-thirds being attributable to the NHS. Adult Services had received a £2.4m pa Reimbursement Grant from Government to cover the cost of fines for delayed discharges. By agreement with the PCTs and Acute Trusts, instead of paying fines, the grant was being used jointly to develop schemes to speed up the discharge of patients from hospital. The Department of Health had held this up as an example of good practice.

Maximisation of Benefits (para 1.1.4.1)

(6) In answer to a question from Mr Rowe, Miss Goldsmith explained that Specialist Finance Teams had been developed in three Districts (and would begin work in the other nine Districts from 1 April 2007). The intention was that, in future, they would work jointly with the Department for Work and Pensions so, as well as carrying out financial assessments for the provision of service (a role previously performed by Care Management staff) they would also be able to offer specialist advice on state benefits and to assess clients' eligibility for those benefits.

Broadmeadow (para 1.2.4)

(7) In answer to a question from Mr Capon, Miss Highwood said that preparation of this scheme had had to be undertaken quickly to fit the timetable for construction of the Folkestone Academy. The lesson learned was not to run Adult Services projects to fit the timetable of an external project.

3. Revenue and Capital Budget Monitoring Exception Report *(Item 3 – Report to Cabinet)*

(1) Members' questions covered the following issues:-

Overall Position

(2) In answer to a question from Mr Smyth, Ms McMullan said that this month's figures showed further improvements and she was reasonably confident that, Asylum costs aside, we would be close to a balanced revenue position by year end.

Asylum (para 2.1)

(3) In answer to a question from Mr Rowe, Mr Chard and Ms McMullan explained that, because grant was based on historic costs (which, in Kent's case had been very low), it no longer covered the costs we incurred today. A Special Circumstances bid to cover the shortfall had been made but negotiations with the DfES had so far proved unfruitful.

Adult Services (para 2.2.7)

(4) In answer to a question from Mr Smyth, Ms McMullan said that where one-off savings not sustainable in future years had been made, they would be identified as pressures in the budget for 2007/08.

Community Safety (para 2.4)

(5) In answer to a question from Mr Rowe, Mrs Head offered to provide Members with details of the £0.3m underspending in Community Safety. **(Action: CH)**

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