

## Budget Process – Budget additions pro forma

To which of the Council's priorities does this contribute?	Provide the opportunity for people to achieve their full potential
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Item description:

**Older People – increase levels of intensive home care support**

Financial impact	2004/05 £000's	2005/06 £000's	2006/07 £000's
Change compared with existing three year budgets	2,800	2,800	2,800

Item classification i.e. budget pressure or performance improvement	Performance improvement
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Is this identified as a high priority in the Council's performance and budget strategy ?	Yes
Is this budget addition likely to improve the Council's CPA score?	Yes
Will it contribute directly to the achievement of PSA targets ?	Yes
Is this a specific, new statutory requirement ?	No
Is it a direct result of external factors e.g. loss of specific grant ?	No
Would the additional cost be incurred if there was no addition to the budget ?	No

Impact of allowing the additional resources :

How does this contribute to delivering the key service targets in the Performance Plan ?

Funding required to increase average contract prices paid for care from £9.75 to £12.50 an hour. This is the estimated increase in rates required if the Council is to work with contractors to recruit and retain the additional workforce required to meet its PSA target. Estimates are based on recent tendering exercises and experiences in neighbouring authorities. Government grant funding is available to meet some of the costs of increasing volumes of care purchased but this will not be possible without letting contracts through large block tenders at prices that allow providers to compete in local labour markets with the retail and agricultural sectors.

How will this affect the performance indicators in the Performance Plan i.e. estimated change from Performance and Budget Plan 2003/04 to 2005/06 ?

DoH performance indicator PAF C28 : 'intensive home care support' :

DoH 'Best Practice' band – 16 to 45

Lincolnshire's 2002/03 performance – 7.0

Target improved performance 2004/05 – 12.5 (PSA requirement)

Target improved performance (ultimate) – 16.0

Signature of service manager :		Date :
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To which of the Council's priorities does this contribute?	Provide the opportunity for people to achieve their full potential
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Item description:

**Older people – delivery of community equipment** : meeting new Govt targets (97% delivered within one week)

Financial impact	2004/05 £000's	2005/06 £000's	2006/07 £000's
Change compared with existing three year budgets	500	500	500

Item classification i.e. budget pressure or performance improvement	Performance improvement
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Is this identified as a high priority in the Council's performance and budget strategy ?	Yes
Is this budget addition likely to improve the Council's CPA score?	Yes
Will it contribute directly to the achievement of PSA targets ?	No
Is this a specific, new statutory requirement ?	Yes
Is it a direct result of external factors e.g. loss of specific grant ?	No
Would the additional cost be incurred if there was no addition to the budget ?	No

Impact of allowing the additional resources :

How does this contribute to delivering the key service targets in the Performance Plan ?

The Council will need to purchase more community equipment to meet Govt targets of delivering increased items equal to 50%. The Council is working with the NHS to establish an integrated community equipment store in Lincolnshire and is currently evaluating tenders for this new service. The new contractor will also need to improve the Council's existing performance in delivery times coinciding with new Govt targets of delivering 97% of issues within one week.

Additional costs will face the Council in commissioning this new service to a high performance specification.

How will this affect the performance indicators in the Performance Plan i.e. estimated change from Performance and Budget Plan 2003/04 to 2005/06 ?

DoH performance indicator PAF D38 : 'community equipment delivered within three weeks' :

DoH 'Best Practice' band – 95.6 to 100.0%

Lincolnshire's 2002/03 performance – 82.0%

Target improved performance 2004/05 – 97.0%

Target improved performance (ultimate) – 100.0%

Signature of service manager :		Date :
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## Budget Process – Budget additions pro forma

To which of the Council's priorities does this contribute?	Provide the opportunity for people to achieve their full potential
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Item description:

**Adult Services – Increase assessment & reviewing capacity in response to 'Fair Access to Care' guidance**

Financial impact	2004/05 £000's	2005/06 £000's	2006/07 £000's
Change compared with existing three year budgets	600	600	600

Item classification i.e. budget pressure or performance improvement	Performance improvement
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Is this identified as a high priority in the Council's performance and budget strategy ?	Yes
Is this budget addition likely to improve the Council's CPA score?	Yes
Will it contribute directly to the achievement of PSA targets ?	No
Is this a specific, new statutory requirement ?	Yes
Is it a direct result of external factors e.g. loss of specific grant ?	No
Would the additional cost be incurred if there was no addition to the budget ?	No

Impact of allowing the additional resources :

How does this contribute to delivering the key service targets in the Performance Plan ?

The Council's existing Performance Plan acknowledges poor performance historically in this area. The need to improve performance is made more acute by new Govt guidance 'Fair Access to Care'. Specifically, reviews of service user's needs are to be undertaken within 8 weeks of a new service being provided and at a minimum of annually thereafter. Additional fieldwork input is required to meet these requirements as Lincolnshire needs to see a fivefold increase in its performance.

How will this affect the performance indicators in the Performance Plan i.e. estimated change from Performance and Budget Plan 2003/04 to 2005/06 ?

DoH performance indicator PAF D40 : 'clients receiving a service review' :

DoH 'Best Practice' band – 60.0 to 95.0%  
Lincolnshire's 2002/03 performance – 12.0%  
Target improved performance 2004/05 – 60.0%  
Target improved performance (ultimate) – 95.0%

Signature of service manager :

Date :

## Budget Process – Budget additions pro forma

To which of the Council's priorities does this contribute?	Provide the opportunity for people to achieve their full potential
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Item description:

**Social Care contracts - Increase in National Minimum Wage** : confirmed as rising from £4.20 to £4.50 from October 2003, with a further unconfirmed increase to £4.80 in October 2004.

Financial impact	2004/05 £000's	2005/06 £000's	2006/07 £000's
Change compared with existing three year budgets	3,600	4,400	5,200

Item classification i.e. budget pressure or performance improvement	Budget pressure
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Is this identified as a high priority in the Council's performance and budget strategy ?	Yes
Is this budget addition likely to improve the Council's CPA score?	Yes (indirectly)
Will it contribute directly to the achievement of PSA targets ?	No
Is this a specific, new statutory requirement ?	Yes
Is it a direct result of external factors e.g. loss of specific grant ?	Yes
Would the additional cost be incurred if there was no addition to the budget ?	Yes

Impact of allowing the additional resources :

How does this contribute to delivering the key service targets in the Performance Plan ?

The Council has a duty to place those in need in long term care. The Council has worked with care providers to better understand their cost structures and the budget pressures that they face. No account was made of the forthcoming increase in national minimum wage when fees were set for this financial year last February.

Most basic care workers are paid at rates at or close to the national minimum wage. The increase in contract fees calculated to meet additional costs brought about by increases in October 2003 are £8 per week for residential care and £12 for nursing care. The costs in 2002/03 of meeting these fee increases will be £1.2m plus a further £0.2m if similar increases are paid to providers of domiciliary care. These increased costs total £2.8m in 2002/03.

A further increase in national minimum wage is being recommended for October 2004. To some extent, the costs facing residential homes will be offset by the Council's contract price inflator for next year and so the financial effect of the Council meeting contractors costs will be reduced.

In the resource implications set out above, it is assumed that a further increase will be recommended by the Govt in October 2005, although this is not certain.

How will this affect the performance indicators in the Performance Plan i.e. estimated change from Performance and Budget Plan 2003/04 to 2005/06 ?

These measures will not improve performance. However, the effect of not increasing fees to meet contractor's costs would be likely to have a damaging effect on the Council's continuing ability to meet its statutory obligations to place people in care.

Signature of service manager :		Date :
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