



Leicester
City Council

MINUTE EXTRACT

ADULTS AND HOUSING TASK GROUP

RECORD OF MEETING

Held: MONDAY, 28 JANUARY 2008 at 5.30pm

P R E S E N T :

Councillor Joshi – Task Group Leader

Councillor Allen
Councillor Gill

Councillor Aqbany
Councillor Hall

Councillor Potter

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1. ELECTION OF CHAIR

RESOLVED:

That Councillor Joshi be elected as Chair for the meeting.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Palmer.

3. DECLARATIONS OF INTEREST

Members were asked to declare any interests they may have in the business on the agenda, and/or indicate that Section 106 of the Local Government Finance Act 1992 applied to them.

Members declared the following personal interests in the agenda:

Councillor Allen	- attendee of Homecome Ltd meetings.
Councillor Aqbany	- mother is a tenant of a Council owned property.
Councillor Joshi	- sister is a tenant of a Council owned property.
Councillor Joshi	- works for a voluntary sector organization that looks after people suffering with mental health issues
Councillor Potter	- tenant of a Council owned property.

4. THE DRAFT REVENUE BUDGET STRATEGY OF THE ADULTS AND HOUSING DEPARTMENT 2008/09 - 2010/11

Rod Pearson, Head of Finance (Adults and Housing) introduced the report and explained that this was the first departmental revenue strategy presented to members since the Adult and Community Services and the Housing Departments had merged.

It was reported that the department's budget was in a difficult position within the current financial year and that an overspend of £2.5m had been forecast. The main cost increases lied within the former Adults and Community Services budget. It was explained that a range of actions were being taken to bring expenditure in line with the Department's budget, which included recruitment delays and deferring expenditure, and the department was to also use its remaining reserves to offset the overspend.

The Chair asked whether there were likely to be any redundancies. The Head of Finance stated that this would not be the case during this financial year, but that given pressures on the budget, the subject of redundancies may have to be considered during future years.

The Head of Finance gave detail to members of the growth items within the budget proposal. He stated that considerable sums were needed to cover increasing levels of need for people over the age of 85, as this age group was to increase by 27% over the next 20 years, and that the cost of care for those over 85 was significantly higher than any other age category. In response to a question by a member of the Task Group, the Service Director, Community Care Services explained that it was about choice and in most cases it was cheaper to the authority to keep older people in their own home, and that residential care was provided to those who were assessed to need it. Furthermore, Members were informed that the government had recently announced the 'Changing Social Care' programme, which gave individuals greater control over how they were looked after.

In response to comments from a Member of the Task Group relating the unsuitability of many of the Council's bungalows, the Service Director, Housing Options, Renewal and Development explained that a strategic assessment for future developments and redevelopment options was to commence. The demolition of the Rowlatts Hill bungalows was cited as a recent example of such a redevelopment.

In relation to community centres, one Member of the Task Group asked whether there would have been any closures had a sum of £750,000 not been secured to allow them to remain open. The Service Director, Safer and Stronger Communities stated that this recommendation in the budget allowed the Centres to stay open for a further year whilst a strategic review was being undertaken. It was further stated that if all 42 centres in the city were to remain open after next year, then additional resources would be required.

Members expressed concern that no money had been allocated towards

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community centres after the 2008/09 municipal year. The Service Director reminded members that in previous budgets, no money had been allocated for 2008/09 and that now £750,000 had been secured. Members expressed concern that although this money would ensure that the centres remained open, there were not sufficient funds to carry out repairs and adaptations to the centres. The Service Director accepted these comments and stated that if a further £750,000 was made available in the future, then this could go towards a capital maintenance programme.

Members stated firmly that they opposed any plans to close any of the community centres in the city and that they should not be the subject of any further budget reductions.

With regard to the two additional Empty Homes Officers listed under the growth items a Member of the Task Group asked whether these posts would help to acquire extra homes or bring existing homes back into use. The Service Director, Housing Options, Renewal and Development stated that they would help to bring back into use properties that were empty for longer than 18 months. It was anticipated that each officer would bring an extra 30 properties into use. This was greatly welcomed by Members.

Members looked at the proposed reduction items listed in the report, and sought clarification on the service transformation reduction item. The Head of Finance stated that the intention was to move the Business Improvement Programmes to frontline services. How these savings would be found would not be known until the service transformation review had been undertaken.

A further question was asked around whether it was anticipated that the rise in Home Care services would have an effect on service users. Members heard that this charge had previously risen from £7 to £8 per hour, and that the further rise of 20p was an inflationary rise, and that this rise was low compared to that imposed by many other authorities. One Member of the Task Group felt that this rise could still have an adverse effect to service users in the light of pensions not increasing by a comparable amount. Officers stated that it gave them no pleasure to increase the costs but that the charge to users was significantly less than the total cost.

The Chair then drew Members' attention to Section 12 of the report that detailed the departmental reserves. The Chair asked officers to explain how each of them would be used. It was stated that the Milford Fund would be used to support residential care to adults and this would be used by the end of the financial year. With regard to the Butterwick House Reserve, Members were informed that this would be used for intermediate care. The Adult Skills and Learning Reserve was reported to field a proportion of the departmental overspend. With regard to the S117 Mental Health Act Provision, the Service Director, Community Care Services informed the meeting that this was for a sum of £900,000 for the potential refund of charges and restitution under s117 of the Mental Health Act 1983. It was explained that this reserve would be fully utilised and that any claims for this fund would be met from in year revenue funding.

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In response to a question from a Member of the Task Group, the Head of Finance reported that the Housing Revenue Account ring fenced reserve could be used for adaptations to council properties.

In summary, the Chair stated that the Task Group would support the budget for Cabinet approval given the financial pressures faced by the Department, but were concerned that it was unsustainable for the future, with costs being met by one-off actions and that all remaining reserves were being used. It was hoped that a more stable budget would be presented to them next year.

RESOLVED:

- (1) That the Adults and Housing Department Revenue Strategy 200/09 to 2010/11 be supported
- (2) That the Task Group does not wish to see Community Centres subject to further budget reductions.