

Cabinet – 3 February 2016

Supplementary Information

Item 11 – Corporate Budget Plan and Treasury Management and Investment Strategy 2016/17.

Feedback from Social Care and Health Overview and Scrutiny Committee – 28 January 2016

The second draft budget report to Cabinet on 16 December 2015, including the draft capital programme, was referred on to overview and scrutiny committees in January.

The meeting of Social Care and Health Overview and Scrutiny Committee on 28 January 2016 was after despatch of the budget report, and therefore the following summarises the recommendations of the Committee –

- The report was noted.
- The Committee requested a report outlining opportunities for service users of adult social care employment and day services to be considered at its meeting in March 2016.

Consultation on 2% council tax increase for adult social care

1. In the Government's Autumn spending review in November 2015, it was announced that councils will be allowed to increase council tax by up to additional 2% in order to contribute to shortfalls in adult social care. This increase is in addition to any general increases in council tax the authority may also apply up to the allowable referendum limit (2%).
2. The additional 2% increase would be ring fenced and can only be used to fund additional adult social care costs and would raise income of c£1.9m. Adult social care is currently facing on-going budget pressures of c£13m above budget in 2015/16 due to increased demand and changes in demographics and cost of care.
3. Residents, Non Domestic Rate Payers (NDRP) and community and voluntary organisations were consulted on the 2% precept for adult social care.
4. In early January 2016 a letter, which explained the 2% and included information detailing the effect it would have on council tax bands, was distributed electronically to c5,000 businesses and c800 community and voluntary organisations throughout the borough. The survey was also made available on the council's website.

5. At the time of papers being despatched for 3 February Cabinet, two responses had been received, both supporting the introduction of the 2% council tax for adult social care. These responses were included in the 3 February Cabinet report. By the closing date of 28 January a further 10 responses had been made and are summarised here.
6. Generally respondents supported the introduction of the 2% precept for adult social care.

"I approve of a ring fenced increase." Resident.

"I am in favour of the additional charge to pay for social care." Resident.

"I wish to register my support for the introduction of a 2% council tax precept to help fund adult social care services in Walsall."

At a time when budgets are being squeezed in so many places, I realise this may prove unpopular. However, social care can have a dramatic impact on the wider society and therefore the money spent on those who need adult social care is wider reaching than many would realise. In my role as rector (designate) of xxxxx church and my interactions with many charitable services, I am also aware of the increase in those who need assistance."
Religious organisation.

7. Feedback via the Walsall Carers Centre noted that carers are in favour of the 2% precept as it would raise much needed money for Social Care services and is in preference to proposals to increase the community based charging policy to take into account 100% of a client's disposable income.
8. One respondent, a council employee, was concerned about the cumulative impact the increase in council tax, the 2% precept and proposed changes to staff terms and conditions would have on their household.

"The proposed general increase in council tax of 1.99% along with a further 2% increase for adult services when combined with the proposed overall 2% loss of earnings as an employee would equate to around a 6% total deduction of income and would have a serious impact on my household (made worse by the fact my partner also works here adding a further financial loss). Whilst I accept savings have to be made I do not support all of the above proposals".
Council employee.

9. One respondent sought reassurance that the money would definitely be ring fenced for adult social care.

"In principle I would support the proposal but, to be able to confirm support it is essential to have the scope that this revenue would be used for and the cost verification and control to be used in its disbursement. Above all it must be used to support the health and welfare for all elderly residents in the borough wishing to maintain their independent self-reliant way of life and be totally transparent. Although residing in a relevantly affluent area, there are many retired residents with moderate incomes that at present have little or no

local facilities to support their self reliance. If the proposal progresses and is not seen to be equitable it will be judged as another cash raising profligate confidence trick that would bring the administration into disrepute.” Resident.

10. A number of respondents from the Park Hall area sought reassurance that the funds would be distributed fairly, suggesting that it should be done so on a geographic basis.

“I quite understand the difficult decisions to be made by the council officials to balance the books and maintain crucial services to the public and I am equally aware of the strain on the borough health budget. I am in agreement with the rate rise but would like something in return. The on-going situation regarding the Broadway North Centre is crying out for a decision to be made. This area of the borough (Paddock Ward) needs a medical centre like some of the other wards. This building is ideal to house medical practitioners as well as yoga/fitness classes which at the moment are at risk if the building is sold. Encouraging people, especially the elderly to keep active is part of the Council’s mantra so maybe the extra funds could be put to good use!” Resident.

“As a Park Hall resident I would just like to voice my opinion in this respect. With our ever ageing population, together with poor community facilities and no Health Centre in our area, a 2% charge to cover future care requirements would not be frowned upon by most sensibly minded residents.” However, Park Hall residents would be most concerned unless assurances could be given that a fair across the board distribution of these funds would include Park Hall. We have always been ignored by the local Council when it comes to Health and Welfare.” Resident.

“... the only observation I would make is that the Chancellor said that the amounts raised would need to be identified in order to be Ringed Fenced for social care, In Park Hall I believe we have approximately 3,500 dwellings the 2% precept and the amount of money involved could be easily identified I am sure that the residents of Park Hall would have no objection to paying this providing the amount raised would then be used to for the social care in the Park Hall area if this was not allocated in this way and then given to other areas it would be deemed as not being Ringed Fenced and contrary to what the Chancellor intended. I fully appreciate that Council Tax outside the 2% precept can be used as the Council see fit but the 2% precept would be outside that the norm.” Park Hall Residents Association.

11. Individual responses will be formulated to the above.

Date: 1 February 2016

Contact –

Vicky Buckley, Head of Finance, ☎ 01922.652326, buckleyv@walsall.gov.uk