

Strategic Budget Options

A high level summary of the Strategic Budget Options is set out below; it includes potential impact on service users and possible mitigation where known. The work is at a very early stage and if Cabinet endorse supporting the option a full business case will be developed including impact analysis and mitigating actions as far as possible. These sections will be informed by consultation responses and no final decisions will be taken until the work is complete and ready for further consideration during the autumn.

1. Review in-house residential and day care services **£300,000**

The County Council's needs of residential care and day services are changing, so it is proposed to undertake a strategic review of the seven residential homes that it runs and that the day services review is accelerated. The purpose of this would be to assess

- cost effectiveness against the external market and
- the option to reconfigure those facilities to reduce dependence on residential care and create more care provision (e.g. extra care, respite care, shared lives and supported living) of the type that will be required in future.

In that context, £0.3m is the saving estimate for 2020/21, with significantly greater returns potentially becoming available once a detailed assessment has been undertaken of the prospective opportunity.

Realisation of benefits implies a preparedness to look at existing facilities in wide-reaching terms and acceptance that there could be a mix of outcomes, including potential closures and/or a need to make different arrangements for some existing customers.

Potential impact and mitigations

The potential closures and reconfiguration of facilities may impact some users of the services who will need to find alternative arrangements. To mitigate the impact of any change, engagement with customers will be a key workstream for the project.

2. Review transport to care services **up to £500,000**

As part of promoting independence it is proposed that the Council will review the provision of transport and only fund such costs for customers in exceptional circumstances if there is no suitable or appropriate alternative. The proposal is a net saving which allows for reinvestment in travel training (that is working with customers to promote independence).

For customers in receipt of personal independence payments, and where those payments extend to transport, people will need to use this benefit to pay for those costs rather than the County Council funding that expenditure.

Potential impact and mitigations

Transport costs to be funded in exceptional situations only. For some people the outcome will be a need to pay for costs that the County Council currently funds. It may also lead to customers making different choices about the places where they go to receive care. The saving is a net amount, which allows for reinvestment into travel training to promote independence and so mitigate some of the impact.

3. Limit inflationary increase in fees paid to care providers

up to £4,200,000

Limit providers to a standard inflationary uplift in 2020/21. The recent pattern of above inflationary increases to recognise the cost impact of the likes of the National Living Wage has not strengthened the County Council's market position or led to improved outcomes.

Potential impact and mitigations

Paying a standard inflationary increase will avoid the need for an additional £4.2m to be allocated to the Adults budget in 2020/21. However, it will result in lower increases in fees and so could weaken the County Council's position in the market, leading, in particular, to fewer providers being prepared to deliver care at usual maximum rates. Mitigation of that risk will necessitate a different approach to market management and market shaping as part of the County Council's strategic direction to enable more people to live independently at home.

4. Manage Demand Pressure - Older People

up to £970,000

In line with the Adult Social Care Vision and Strategy, the Medium Term Financial Strategy (MTFS) currently assumes that the service will absorb £5.1m impact of demand pressure relating to older people in 2020/21. Added to commitments already included in the MTFS, this option requires the service to put into place arrangements that will manage £6.1m demand pressure, i.e. an extra £0.970m.

This can be achieved if individuals are able to access the right support to enable them to remain living in their own homes safely for longer and by developing alternative models of support, for example shared lives or extra care, which can provide improved outcomes at a lower cost.

This approach will avoid additional funding having to be allocated. To achieve this, contracts for preventative services will be reviewed to ensure that these are delivering optimal outcomes. It is expected that this will lead to some changes

in the mix of spending with more being invested in some activities, whilst others will be de-prioritised. This will have implications both for providers and partners.

Under the Care Act it is unlawful not to meet a person's assessed needs, so the risk in this proposal is that the necessary changes will not be made quickly enough, leading to the Adult Social Care budget overspending.

Potential impact and mitigations

All demand growth pressure to be managed within existing resources. Adults budget at risk of overspending if plans to promote independence do not deliver the anticipated benefits in 2020/21. The project will be closely monitored to ensure the outcomes are on-track and any required interventions are undertaken promptly.

5. Reduce housing-related support up to £1,300,000

Budget provision of £2.3m remains following a decision made in December 2018 to reduce expenditure by £4m. Further savings of £1.3m could be achieved by reviewing preventative contracts and restricting the service to statutory responsibilities only.

Potential impact and mitigations

Further reductions in preventative spend in the County Council's core budget may adversely affect providers in the market, increase demand on districts' and boroughs' services and potentially increase the demand for the Council's statutory services.

Although the public consultation regarding the previous decision was significantly challenging, the positive outcome has been recognition that prevention of homelessness requires a joint approach across all agencies and partners. The County Council is making available transitional funding to enable sufficient time for resources from other sources to be secured and would continue this approach if this option progresses.

6. Reduce Local Assistance Network (LAN) up to £200,000

The LAN is a discretionary service, which provides support to individuals in times of short term crisis and hardship. The budget was reduced by £0.6m in 2019/20 from £0.8m to £0.2m. It is now proposed to cease all provision.

Potential impact and mitigations

All funding withdrawn, which will affect:

- foodbanks (£35k),
- Children's and Family Centres (£80k),
- Citizens Advice Bureau (£35k) and
- social enterprises (£50k).

Potential impact and mitigations

Customers will be signposted to alternative sources of community support and transition arrangement will be considered if this option progresses.

7. Reduce post-16 support service

up to £190,000

To withdraw/reduce the level of post-16 support service at the end of the current European Structural and Investment Funds (ESIF) project with Brighton and Hove. This service helps to prevent young adults becoming Not in Education Employment or Training (NEET). Only tracking within the Data team would remain.

Potential impact and mitigations

All direct NEET interventions would cease as would organisation and support for Careers/Apprenticeship Fairs across the county and the annual Apprenticeship Graduation Ceremony. The County Council is currently in the bottom quintile of LAs overall. The risk of removing the entire team is that we will not move from that position.

8. Increase Special Support Centres in schools

£936,000

To increase the number of Special Support Centres (SSCs) in mainstream schools, in order to reduce the number of more costly out of county placements in the Independent and Non-maintained Special Schools (INMSS) sector. The first phase of the Special Support Centres is due to be completed for September.

Potential impact and mitigations

The service would like to progress the second phase of the project for opening in September 2020 as planned and bring forward from 2021 to 2020 phase 3 of SSC investment programme, by setting aside £1.8m from the Education capital budget in 2020/21 for investment in SEND facilities. Combining phases 2 and 3 will see further investment in building seven/eight Special Support Centres (SSCs) in mainstream schools, which would generate an additional 84 places for those children with high functioning autism and social, emotional and mental health (SEMH). This will eventually save the County Council £2m per annum in a full year.

9. Reduce the number of household waste recycling sites (HWRS)

£160,000

Close two of the eleven fixed sites. Criteria for selecting sites for closure would include:

- relative level of use;
- proximity to other sites;
- degree to which the site is attracting cross border traffic;

- degree to which the site is currently constrained; and
- extent of any other operational issues.

Potential impact and mitigations

Residents may have further to travel and there are potential congestion issues. Experience of HWRS closures elsewhere indicates the material lost from the system due to fly tipping is low and any spike is of short duration.

10. Withdraw the mobile HWRS service £50,000

Withdraw the mobile HWRS service serving Selsey and the Witterings.

Potential impact and mitigations

Residents who use this service will have to travel to other HWRS sites to dispose of their household waste.

11. Reintroduce charging for DIY waste at HWRSs £510,000

Householders who wish to dispose of certain categories of waste at HWRSs (principally soil, rubble, asbestos, plasterboard) could continue to do so but at a charge to cover the cost of handling and disposal. Charges would be aligned to that of neighbouring authorities.

Potential impact and mitigations

Experience elsewhere indicates the material lost from the system due to fly tipping is low and any spike is of short duration.

12. Reduce recycling credits up to £4,600,000

The Cabinet Member for Environment took a Decision in December 2018 to terminate a long standing Memorandum of Understanding (MoU) funding arrangement with the D&Bs. The basis of the decision was that, despite payments of over £40m over eight years it had failed to drive improvements in recycling levels in that period and could not be justified. The funding formula has been revised in line with the decision resulting in a reduction of recycling contribution from £5.6m in 2018/19 to an estimated £4.6m in 2019/20 (the actual level will be dependent on tonnages of material delivered for recycling by the D&Bs).

Legal advice has confirmed that, due to the way the system is set up in West Sussex, there is no statutory requirement to continue to fund the majority of the remaining £4.6m each year (our residual statutory liability is likely to be less than £100,000 a year). As part of the decision, D&Bs were given notice that the formula would be further reviewed but the level of future payments would, among other factors, take into account overall affordability, given the County Council's projected financial position.

Potential impact and mitigations

Linking the recycling credits to performance will increase recycling across the county. The change from the current system will have an adverse effect of districts' and boroughs' budgets.

13. Review Community Hubs Library Offer

up to £500,000

To meet the wider financial challenges faced by the authority it would be possible to adjust the Library Service in communities where the library has low usage, or where service reductions would have the least impact. This includes:

- a. reducing opening hours so that no library would be open beyond 6pm, removing the rural Mobile Library service, reducing delivery times for books; and
- b. the closure of several Tier 6 (branch) libraries, there are 13 of these libraries.

Reducing the level of service as suggested would have an impact on the ability of the service to support the County Council outcomes effectively and would represent a reduction in service. This would require extensive community and staff consultation.

Potential impact and mitigations

The impact would likely be greatest in the most isolated and rural communities. To mitigate that risk, the business case will engage with the communities to identify alternative community options.

14. Reduce Highways place based services

up to £1,500,000

Highways, Transport and Planning provide a diverse range of place based services. Within the controllable elements of the budget there is limited scope to reduce revenue expenditure with the majority of service areas funded to statutory minimum levels already.

The Council will redesign the directorate and reduce overall staff numbers to accommodate further reductions in the budget. Services will focus on those elements where there is a statutory duty to deliver, particularly on safety and the needs of vulnerable road users.

Potential impact and mitigations

- Community Highway Schemes – reduce / cease delivery on future scheme development
- Community Traffic Regulation Orders – reduce / cease delivery on future delivery
- Support for Highways England schemes – cease
- Responding to national and local consultations – cease
- Responding to planning applications – reduce to absolute minimum

- Public Rights of Way Proactive Inspections – cease
- Major scheme bids – cease
- Development of highway improvement schemes – cease
- Support for Transport for the South East (TFSE) – cease
- Contribution to corporate initiatives – reduce to minimum
- Supporting non statutory initiatives – i.e. Watershed
- Local Highway Teams – consolidate 6 to 3

15. Reduce supported bus services

up to £200,000

The proposal is to reduce the amount of subsidy provided to bus operators to operate commercially unviable bus services across the county. Specific routes would be identified that will be reduced or stopped altogether.

Potential impact and mitigations

Inevitably there will be users who are detrimentally affected by the changes, but routes would be chosen that minimise on users.

16. Cease discretionary bus passes

up to £200,000

The Council currently spends £11.5m providing concessionary fares (bus passes) to residents across the county. Whilst the majority of the service is statutory there remain elements that are discretionary. These include providing concessionary fares for disabled people outside of the core hours of the scheme (off peak during the week and all weekend) and providing passes to carers/companions who are not of an age to qualify for an older person's bus pass. The cost of providing these discretionary services is £200k per annum.

Potential impact and mitigations

Removing this benefit would have an impact upon those people who fall into the criteria for passes and choose or need to travel outside of the core hours.

17. Accelerate Whole Council Design

up to £5,300,000

Several Whole Council Design projects are already underway. These include initiatives to:

- shift demand to cheaper digital channels, automate business processes and reduce human intervention for simple transactions freeing up time to deal with customers that need to contact us by telephone or in person;
- replace clunky and labour intensive manual processes and systems to reduce duplication, make it easier for staff to self-serve and avoid long term support costs; and
- transform our work practices through new technology, ways of working and innovation, such as robotics, intelligent automated digital assistance, virtual reality tools.

Potential impact and mitigations

The acceleration of Whole Council Design initiatives can help achieve financial savings in 2020/21 and 2021/22 without cutting or adversely impacting on frontline services. The majority of these savings will be realised through staffing reduction levels.

18. Increase income from fees & charges up to £429,000

Total budgeted income for 2019/20 is £42.9m. This option proposes raising up to an additional 1% income through increased volumes and / or prices.

Due to limitations such as statutory limits on fees, the spread of additional income may not be even throughout the Council.

Potential impact and mitigations

Users will need to pay more and increases in fees can affect uptake of services.