

## **DUNDEE CITY COUNCIL**

**REPORT TO: POLICY & RESOURCES COMMITTEE**

**REPORT ON: EFFICIENCY SAVINGS FOR SOCIAL CARE EXTERNALLY PURCHASED SERVICES**

**REPORT BY: DIRECTOR OF SOCIAL WORK**

**REPORT NO: 71-2013**

### **1.0 PURPOSE OF REPORT**

The purpose of this report is to seek Committee approval to apply a 5% efficiency target to significant funding allocations provided to organisations providing social care services on a contractual basis with Dundee City Council for 2013/14.

### **2.0 RECOMMENDATIONS**

It is recommended that Policy and Resources Committee:

- 2.1 Notes the content of the report.
- 2.2 Approves a reduction in funding of 5% to those organisations in receipt of significant funding levels for the provision of social care services on behalf of Dundee City Council for the financial year 2013/14 as outlined in Appendix 1.
- 2.2 Instructs the Director of Social Work to monitor the impact of the reductions in funding as part of the ongoing contract monitoring process.

### **3.0 FINANCIAL IMPLICATIONS**

- 3.1 The current total value of contracts for social care services managed by the Social Work Department (excluding care homes and domiciliary care) is approximately £22.3m which is reflected in both the Social Work and Supporting People budgets. The proposals outlined in this report will result in a reduction in funding of 5% for all those organisations in receipt of funding totalling more than £100k per annum, providing an annual budgeted saving of £,1,059k.

### **4.0 MAIN TEXT**

#### **4.1 Background**

- 4.1.1 The Social Work Department undertakes its legislative duties through a combination of providing services directly and through contracting with external organisations to provide social care services on the Council's behalf. These services are provided to a large number of service users with various care needs across all client groups and can take many forms such as the provision of accommodation with support, day care services, housing support, enabling services, respite and advocacy services. A large number of these organisations also receive funding from the Supporting People budget to provide housing support services and the overall contracts are managed by the Social Work Department.
- 4.1.2 In the main, the contracts currently in place have been subject to a tendering process and these along with some services which were developed many years ago and not awarded on a tendering basis have all been subject to a service review process. The contracts are awarded

on a rolling annual basis with the exception of care homes which are subject to the National Care Home Contract and Domiciliary Care which is awarded to a number of providers on a three year basis.

- 4.1.3 The majority of service providers deliver a number of separate services and the combined value of funding for these in many cases can be substantial. A large number of the service providers are national organisations. The services provided are subject to an ongoing contract monitoring process, consisting of regular meetings and sharing of service and service user information and outcomes, in addition to financial information with each service allocated a lead officer for their specialist area and a contracts officer. Professionals from other departments and agencies are also involved in the contract monitoring process as appropriate.
- 4.1.4 Given the necessity to achieve financial savings within the Social Work and Supporting People budgets, and the significant proportion of Council expenditure attributed to externally purchased services it is proposed to reduce funding for those organisations in receipt of annual funding of greater than £100,000 (excluding care homes and domiciliary care) by 5%. While it is acknowledged that service providers have not been awarded inflationary uplifts in funding levels for the last 5 years, they have not until now been asked to make efficiency savings unless specific issues have arisen as part of the contract monitoring process.
- 4.1.5 It is proposed that the efficiency saving is applied to the total funding levels provided to the organisation rather than against each specific service or project and it will be up to the service providers to decide how they will achieve the efficiency saving without impacting on the level and quality of service delivered to service users. It is expected that organisations will review their administration and management overheads in the first instance to achieve cost reductions. Given the achievement of a 5% saving may be more difficult for organisations whose funding levels are relatively low and which may only fund single post services it is recommended that the target is not applied for those with funding of less than £100k per annum.
- 4.1.6 The service providers proposals will be subject to discussion and negotiation with officers as part of the contract management process and any service risks identified will be subject to assessment and solutions agreed. The impact on services will be continually monitored within the contract monitoring process.

## **5.0 POLICY IMPLICATIONS**

- 5.1 This report has been screened for any policy implications in relation to sustainability, strategic environment assessment, anti-poverty, equality impact assessment and risk management. There are no major issues.

## **6.0 CONSULTATIONS**

The Chief Executive and Director of Corporate Services have been consulted

## **7.0 BACKGROUND PAPERS**

No background papers have been referred to.

**SOCIAL WORK AND SUPPORTING PEOPLE**  
Externally Purchased Services

Appendix 1

Provider Name	Range of Services Provided	Contract Funding Levels 2012/13 £	5% Efficiency Saving £
Gowrie Care Limited	Care At Home/Housing Support Services at various locations for adults with a learning disability	2,542,254	127,113
Sense Scotland	Support services for clients with learning disabilities including care at home/housing support at various locations, respite and day care services.	2,125,116	106,256
Cornerstone Community Care	Care At Home/Housing Support Services for adults with a learning disability at various locations and a support service for children with a disability	2,232,847	111,642
Carr - Gomm Scotland	Care At Home/Housing Support services for adults with learning and physical disabilities and mental health problems at various locations	1,867,656	93,383
Turning Point Scotland	Care At Home/Housing Support services for adults with learning disabilities at various locations.	1,433,822	71,691
Scottish Autism	Care at Home / Support services for clients with learning disabilities at various locations.	1,223,115	61,156
The Richmond Fellowship Scotland	Care at Home/Housing Support services for adults with mental health problems at various locations.	1,028,347	51,417
Action for Children	Youth housing services for young people and intensive family support services	987,396	49,370
Transform Com Development	Housing Support services to homeless people across three individual hostels in Dundee.	812,013	40,601
Positive Steps Partnership	Support service for clients with mental health issues.	595,919	29,796
Barnardos	Various support services for children, families and young people	570,108	28,505
Capability Scotland	Care at Home/Housing Support/Enabling and day care services for adults with learning disabilities and enabling services for children with a disability	542,845	27,142
The Salvation Army	Housing support services to homeless people.	393,462	19,673
Dundee Survival Group	Housing support services to homeless people.	384,094	19,205
SAMH	Mental Health Support Services - Carers Support and Supported Accommodation	313,916	15,696
One Parent Families Scotland	Children and family support services	263,724	13,186
Home in Scotland	Sheltered Housing and tenancy support service for older people (younger people considered if they have significant health needs.)	242,572	12,129
Bield Housing Association	Sheltered Housing and tenancy support service for older people (younger people considered if they have significant health needs.)	238,409	11,920
Carolina House	Housing Support service for young people who are vulnerable and in need of support to maintain their own tenancy.	222,501	11,125
Princess Royal Trust	Information and support service to carers and people with disabilities and a support service to individuals in receipt of a direct payment.	220,974	11,049
Dudhope Villa	Care at Home/Housing Support service for clients with learning disabilities.	213,301	10,665
Hillcrest Housing Assoc	Sheltered Housing and tenancy support service for older people (younger people considered if they have significant health needs.)	211,798	10,590
Dundee Blind and Partially Sighted Society	Specialist support and rehabilitation service for children and adults who are blind or partially sighted/visually impaired.	207,268	10,363
Dundee Womens Aid	Domestic abuse and housing support services to women and their children .	199,680	9,984

Westlands	Care and support services to adults with learning disabilities	189,189	9,459
Alzheimer Scotland	Specialist support services to people who have been diagnosed with dementia	188,785	9,439
Includem	Intensive support service for children and young people	185,760	9,288
DIAS	Advocacy Service	182,345	9,117
Dundee Voluntary Action	Celebrate Age Network Co-ordinator; Support service for adults with mental health issues.	179,268	8,963
Caledonia Housing	Sheltered Housing and tenancy support service for older people (younger people considered if they have significant health needs.)	175,959	8,798
DAMH	Support service for adults with mental health issues.	167,875	8,394
Aberlour Child Care Trust	Support service for children.	145,749	7,287
SACRO	Restorative justice service for young people.	132,600	6,630
Abertay Housing Association Limited	Sheltered Housing and tenancy support service for older people (younger people considered if they have significant health needs.)	127,331	6,367
Margaret Blackwood Housing Association	Sheltered Housing and tenancy support service for adults.	125,453	6,273
Jean Drummond	Day support service for adults with a learning disability.	104,156	5,208
Penumbra	Respite/Enabler service for adults with mental health issues.	103,132	5,157
Elite Care (Scotland) Limited	24 Hour Care, Support and Enabling Service	102,792	5,140
		<b>21,183,530</b>	<b>1,059,177</b>