

CYNGOR SIR POWYS COUNTY COUNCIL

**County Council
5th March 2014**

**REPORT AUTHOR: County Councillor Graham Brown, Portfolio Holder for
Commissioning and Procurement**

SUBJECT: Question from County Councillor Stephen Hayes

In January, it was reported to cabinet that the projected Adult Social Care overspend for the current financial year had increased by £428,000. This was reported as 'mainly due to the delay in the tendering of the Home Care service. Savings anticipated in the current year will now not be realised.'

How do you, as portfolio-holder for commissioning and procurement throughout the relevant period, justify this costly failure to Council?

In the 2013/14 Efficiency tracker (agreed during the budget setting process for 2013/14) Adult services intended to make efficiencies from retendering Domiciliary Care of £150,000. In addition at that stage it was proposed to externalise the current Home Care workforce to the new provider at a saving of £321,000. During November 2013 the actual costing for transferring PCC domiciliary care staff was recalculated as part of the process for planning for TUPE transfer which identified that far from saving £321,000 TUPE transfer would COST the Authority an additional £287,000 p.a. in higher domiciliary care hourly charges from the independent sector due to the additional cost of employing former PCC employees in the Independent Sector. A report was submitted to Cabinet on 3rd of December stating that the original savings wouldn't be made and it was agreed that the in house domiciliary care staff would be offered voluntary severance as part of the Councils corporate Voluntary Severance scheme.

Following the December 3rd Cabinet report, a new strategy for commissioning domiciliary care was developed and the tender process commenced on 3rd January. This tender closed on February 17th 2014 and the service is currently evaluating the responses. Early indications suggest that both the £150,000 identified from last year and the £200,000 identified as part of the 14/15 budget will both be achieved out of this retender and realised in full from 1st April 2014.