



# Cabinet

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## REPORT

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**Cllr J Cole-Morgan: Cabinet Member for Community & Housing**

### **SALISBURY LIFELINE – BUDGET REVISIONS AND BUSINESS PLAN**

#### **1. Purpose**

- 1.1 The 2003/04 out-turn budget for Salisbury Lifeline incurred an overspend of some £83,000. This paper sets out the key issues, actions and recommendations for addressing the overspend.

#### **2. Background**

- 2.1 The Best Value Review of Services to Older People highlighted that the Control Centre, incorporating Salisbury Lifeline, is a good service, highly regarded and competitively priced. However, the report also expressed concern that the budget was not in a sustainable position to breakeven.

#### **3. Key issues**

- 3.1 There are a number of key issues that have impacted on the operation of Salisbury Lifeline and that have contributed to the overspend, these are:

- 3.1.1 For 2004/05 the budget was moved from the HRA to the General Fund. In previous years the General Fund made a contribution of some £63,000 to the HRA that then met any overspend.
- 3.1.2 Salaries count for some 80% of the actual budget.
- 3.1.3 Due to carrying vacant posts, overtime costs have been higher.
- 3.1.4 Management problems have impacted on growth.
- 3.1.5 No baseline assessment of actual income and customers.
- 3.1.6 Differential pricing between council tenants and private customers.
- 3.1.7 Ageing operating systems.
- 3.1.8 Incorrect internal recharges.
- 3.1.9 Lack of service charges.
- 3.1.10 Delays in the proposed co-location with CCTV.
- 3.1.11 Salaries do not reflect the need to pay enhancements for night-time and weekend working.
- 3.1.12 Poor image and lack of marketing.

#### **4. Action**

- 4.1 To address this overspend and to place Salisbury Lifeline onto a more sustainable foundation the following action is proposed:

		<b>Savings</b>	<b>Income</b>
A	Delete post of Team Leader from the establishment list	£28,000 – to be put against overtime overspend	
B	Establish a corporate re-charge for the centre handling general council out of hours calls – growth bid from		£11,900

	Customer Services		
C	Approve the attached Business Plan for growth		£40,000
D	Move to one person on duty at night following co-location	£30,000	
E	Increase charges above the rate of inflation. The centre's costs are in some of the lowest around the country. Top quartile is £3.07 weekly compared to our £2.61 per week. Charges could be increased at 5% per annum for a three year period.		£1993 – equates to the extra 1.5% above inflation

- 4.2 The budget for 2004/05 will be revised to reflect adjustments to salary costs.
- 4.3 A baseline position of customers and clients has now been established that also accurately reflects a revised income analysis.
- 4.4 £50,000 unavoidable costs will be included in the Community & Housing Portfolio Plan 2005/06.

## 5. Business Plan

- 5.1 This is the first Business Plan produced for Salisbury Lifeline. The Plan details how the council can grow the business and to achieve a balanced budget over a three year period.
- 5.2 The Business Plan also addresses the image of Salisbury Lifeline and suggests that in order to give it presence in the market place and reflect its business that a more appropriate name should be 'Careconnect Salisbury'. The brand can be incorporated into new marketing literature that will help promote and generate new business.
- 5.3 The Plan also identifies the urgent need to update the Operating Systems and this will be subject to a separate report.

## 6. Recommendations

- 6.1 Members are asked to approve:
- (1) To delete the post of Team Leader Salisbury Lifeline from the establishment list but to re-allocate savings against overtime overspend.
  - (2) To set a corporate recharge for handling general out of hours calls of £11,900 per annum.
  - (3) Above inflation increase of 5% per annum for the next three years.
  - (4) The Business Plan
  - (5) Re-naming Salisbury Lifeline to Careconnect Salisbury.
  - (6) Note the proposed revisions to the budget.

## Background papers - None

### Implications

Financial:	Paragraph 4 and the Business Plan details all financial implications
Legal:	Within the economic, social and environmental provisions of the Local Government Act 2000
Human Rights:	None in respect of this report
Personnel:	Paragraph 4 proposes to delete one post from the establishment
Community Safety:	None in this report
Environmental:	None in this report
Council's Core Values	Promoting excellent service, supporting the disadvantaged, being fair and equitable, communicating with the public, wanting to be an open, learning council and a willing partner.
Wards affected:	All
Consultation undertaken	Staff only