

**SAVING PROPOSALS
BUDGET 2012/13 – 2014/15**

**Item Ref. No:
AHWB 8 (2012)**

TITLE OF SAVINGS OPTION:		More Effective Income Control			
DIRECTORATE:		Adults Health & Wellbeing			
SERVICE AREA:		Finance	LEAD OFFICER:		Paul Thorogood
FINANCE CONTACT:		Paul Thorogood			
	Current Budget	Saving £000s (Incremental)			
£'000	2011/12	2012/13	2013/14	2014/15	Total Savings
Employees (FTE)					
Employees	1,500	75	25		100
Others					
Income					
TOTAL SAVINGS	1,500	75	25		100
Revenue/Capital Costs: Are there any revenue or capital costs associated with this proposal? N – Please complete the table and also provide reference no. of corresponding bid):					
		Costs (Incremental)			
	Ref No.	2012/13	2013/14	2014/15	2015/16+
Revenue Expenditure					
Capital Expenditure					
Total					
Nature of expenditure:					
1.	Outline/ details of savings proposal , including indications of stage of development, and work and timescales needed to finalise proposal:				
<p>Following the implementation of an Income and Assessment IT system within the Directorate to provide the financial assessment process and the monitoring of income collection, to carry out a branch review of the systems and process of the service. This builds on the opportunity in 2011/2012 which has seen the adoption of both a direct debit scheme for clients and credit card payment methods.</p> <p>The review shall ensure that the processes and procedures for recovering income from fees and charges is consistent throughout the Directorate and the wider Council. This will be achieved through:</p> <ul style="list-style-type: none"> • Improved procedures and processes through use of the new Income and Assessment system 					

to improve the recording of debt and income due.

- A review of how client contributions are collected by providers on behalf of the Authority. This may require amendment to the contracts held with residential/nursing providers.

The process and procedure review will fall into two key areas:

1. Income and Assessment – The payment methods available to clients and how we sensitively pursue overdue debt/payment arrears
2. Payments process for Access to Resources (ART) – How we determine how we pay providers, for residential and nursing placements and whether they collect contributions directly from the client and how outstanding arrears are referred back to the Council

2. Service implications of saving:

The option will allow the service to increase income levels and reduce outstanding debts.

More effective recovery policies may cause Customer and Member complaints

3. Actions required to achieve saving:

- Agreement of Income and Assessment solution – January 2012
- Review by the Access to Resources Team on how we pay providers and monitor their income collection on behalf of the Authority – February 2012
- Agreement of management information requirements – February 2012
- Go live with the new Income and Assessment System – April 2012
- Clarify the current level of arrears by client from the current manual processes – April 2012
- Conduct an end to end review in light of the implementation of the income collection process – April to June 2012
- Regular reporting on outstanding arrears by client to begin – April 2012 onwards
- Prioritise workload of staff to ensure that arrears are actively pursued – June 2012
- Set up of the Income Review Board for Adults, Health and Wellbeing to monitor arrears and agree write offs where necessary – June 2012

4. Potential implications for staff, contractors, partners, assets and other Directorates:

Please indicate financial impact on other directorates (show cost increases as +ve and decreases as -ve)

Directorate	2012/13	2013/14	2014/15	TOTAL
Chief Executive's				
Children, Schools and Families				
Schools (DSG Funded)				

Communities, Localities and Culture				
Development and Renewal				
Housing Revenue Account				
Resources				
TOTAL				

Notes

None

5.	Other risk factors which could prevent this saving being achieved following implementation
	<ul style="list-style-type: none"> • There is no slippage on the implementation of the Income and Assessment system, however the manual existing processes can continue as normal in the short term. • The new Income and Assessment system is fit for purpose and can meet reporting requirements. However this risk is minimised through appropriate system collection • A consistent approach on how we pay all providers can be agreed • Clients refusing to pay for charges due
6.	Efficiency/ value for money - how will this proposal contribute towards greater efficiency/ better value for money and how will the efficiency improvement be measured?
	<ul style="list-style-type: none"> • The proposal will ensure that the Authority pursues income that is due in a timely and efficient manner. • Better income collection for services therefore reducing bad debt provision • More efficient recovery procedures therefore reducing administrative duties and improving recovery rates in the future • Better advice for clients on money management