

LEWISHAM FUTURE PROGRAMME – SAVINGS REPORT APPENDICES – SEPTEMBER 2015

APPENDIX 12 – SAVINGS PROPOSALS FOR SCRUTINY, SECTION O

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1. Savings proposal	
Proposal title:	Financial Assessments review
Reference:	O4
LFP work strand:	Public Services
Directorate:	Customer Services Directorate
Head of Service:	Ralph Wilkinson
Service/Team area:	Public Services / Benefits
Cabinet portfolio:	Resources
Scrutiny Ctte(s):	Public Accounts / Healthier Communities

2. Decision Route			
Saving proposed:	Key Decision Yes/No	Public Consultation Yes/No	Staff Consultation Yes/No
a) Review Financial Assessment staff structure	No	No	Yes

3. Description of service area and proposal
Description of the service area (functions and activities) being reviewed:
<p>The Benefit Service is responsible for administering the payment of housing benefit, discretionary housing payments, council tax reductions, concessionary awards (freedom passes, blue badges and taxi cards) and the local support scheme.</p> <p>In October 2014 the service became responsible for adult social care financial assessments as part of the Council's approach to join up assessment services where possible. The team responsible for financial assessments carry out 3,500 assessments each year but they are also responsible for managing client finances – around 50 as deputy's and 350 as appointees and some of the client property services arranging some 50 property searches and 70 funerals each year.</p>
Saving proposal
To review the way financial assessment service operates and reorganise to take advantage of streamlined procedures, better use of existing information and make better use of technology.

4. Impact and risks of proposal
Outline impact to service users, partners, other Council services and staff:
The outcome of the review will be a better service with less information requested from service users, faster processing times and clear procedures in place for dealing with appointee/deputyships.
Outline risks associated with proposal and mitigating actions:
The risk is that the new procedures do not meet the requirements of adult social care. A board, chaired by the Head of Public Services, has been set up to oversee the

4. Impact and risks of proposal

review and is attended by Head of Adult Social Care and others from the Community Services Directorate.

5. Financial information

Controllable budget:	Spend £'000	Income £'000	Net Budget £'000
	268	0	268
Saving proposed:	2016/17 £'000	2017/18 £'000	Total £'000
a) Reorganisation	100		100
Total			
% of Net Budget	37 %	%	37 %
Does proposal impact on:	General Fund	DSG	HRA
Yes / No	Yes	No	No
If impact on DSG or HRA describe:			

6. Impact on Corporate priorities

Main priority	Second priority	Corporate priorities
8	10	<ol style="list-style-type: none"> 1. Community leadership and empowerment 2. Young people's achievement and involvement 3. Clean, green and liveable 4. Safety, security and a visible presence 5. Strengthening the local economy 6. Decent homes for all 7. Protection of children 8. Caring for adults and the older people 9. Active, healthy citizens 10. Inspiring efficiency, effectiveness and equity
Impact on main priority – Positive / Neutral / Negative	Impact on second priority – Positive / Neutral / Negative	
Positive	Positive	
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	
Low	Low	

7. Ward impact

Geographical impact by ward:	No specific impact / Specific impact in one or more
	No specific impact
	If impacting one or more wards specifically – which?

8. Service equalities impact

Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N/A	Pregnancy / Maternity:	N/A
Gender:	N/A	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	N/A	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	N/A
For any High impact service equality areas please explain why and what			

8. Service equalities impact

mitigations are proposed:

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Is a full service equalities impact assessment required: Yes / No

No

9. Human Resources impact

Will this saving proposal have an impact on employees: Yes / No

Yes

Workforce profile:

Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2	7	7	7		
PO1 – PO5	0	0	1	1	
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
	4	3			
Ethnicity	BME	White	Other	Not Known	
	1	6			
Disability	Yes	No			
Sexual orientation	Known	Not known			

10. Legal implications

State any specific legal implications relating to this proposal:

None

11. Summary timetable

Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc..), implementation:

Month	Activity
August 2015	Proposals prepared (this template and supporting papers – e.g. draft public consultation)
September 2015	Proposals submitted to Scrutiny committees leading to M&C on 30 September
October 2015	Consultations ongoing
November 2015	Consultations ongoing and (full decision) reports returned to Scrutiny for review
December 2015	Consultations returned to Scrutiny for review leading to M&C for decision on 9 December

11. Summary timetable

January 2016	Transition work ongoing
February 2016	Transition work ongoing and budget set 24 February
March 2016	Savings implemented

1. Savings proposal	
Proposal title:	End entitlement to discretionary Freedom Pass
Reference:	O5
LFP work strand:	Public Services
Directorate:	Customer Services
Head of Service:	Ralph Wilkinson
Service/Team area:	Public Services / Benefits
Cabinet portfolio:	Resources
Scrutiny Ctte(s):	Safer and Stronger Communities

2. Decision Route			
Saving proposed:	Key Decision Yes/No	Public Consultation Yes/No	Staff Consultation Yes/No
a) End discretionary Freedom Pass scheme	Yes	Yes	No
b) Close discretionary Freedom Pass scheme to new applicants	Yes	Yes	No

3. Description of service area and proposal
Description of the service area (functions and activities) being reviewed:
<p>The Benefit Service is responsible for administering the payment of housing benefit, discretionary housing payments, council tax reductions, concessionary awards (freedom passes, blue badges and taxi cards) the local support scheme and financial assessments.</p> <p>The Council issues Freedom Passes to all residents who meet the national eligibility criteria in relation to age or disability. In addition, discretionary Freedom Passes are issued to those residents who do not meet the national criteria but have mobility or mental health issues. There are currently 1,471 people are in receipt of discretionary Freedom Passes.</p>
Saving proposal
<p>The proposal is to withdraw the discretionary Freedom Pass with effect from 2016. As the cost is based on usage it is difficult to be precise about exactly how much could be saved but estimates suggest the saving would be in excess of £200k pa.</p> <p>The criteria for entitlement to a discretionary Freedom Pass are:</p> <p>Criteria for mobility disability:</p> <ol style="list-style-type: none"> 1. Can walk to a distance of 300 metres, but not able to walk further than this without pain or discomfort. 2. Applicant has a degenerative medical condition effecting mobility <p>Criteria for mental health conditions:</p> <p>That the applicant has an enduring mental health condition and has accessed</p>

3. Description of service area and proposal

secondary care mental health services in the last 12 months.

There are 1,471 discretionary Freedom Passes in use (of which 162 have been awarded under the mobility criteria and 1,309 under the mental health criteria).

Important - The proposal does not impact on the national Freedom Pass scheme for elderly persons and for specific disabilities.

There are 32,000 elderly persons national Freedom Passes in use.

There are 5,000 disabled persons national Freedom Passes in use. See appendix 1 for eligibility.

Although withdrawing the discretionary Freedom Pass will impact on some households, there are 2 alternative schemes that may help negate the impact and are at no cost to the Council.

Job Centre Plus travel discount card (valid for up to 3 months) – This is available to residents who have been unemployed for 3 months and over, received a qualifying benefit or must be working with an advisor for a return to work, they will be able to apply for a concession that gives them half-price travel;

60+ London Oyster card – This is available to residents who live in a London borough, are over the age of 60 but who do not qualify for a Freedom Pass and they will qualify for free travel.

A recent sampling of those residents currently receiving a discretionary Freedom Pass suggested that 68% would qualify for an alternative concession, this being 63% who would qualify for the JC+ travel discount card and 5% for the 60+ London Oyster card.

A recent survey of the 33 London Boroughs found 19 (58%) have a discretionary scheme and 15 of these do not intend withdrawing it. Excluding Lewisham, of the remaining 3 boroughs, 2 are reviewing their qualifying criteria and one did not respond.

An alternative option to this saving would be to close the discretionary freedom pass scheme to new applicants – saving £20,000 in year 1 plus a further £20,000 in year 2 and in year 3. This is based on previous years where an average of 100 discretionary freedom passes holders per year are no longer entitled because their circumstances change (e.g. they move or they reach the national scheme age for an elderly persons freedom pass).

4. Impact and risks of proposal

Outline impact to service users, partners, other Council services and staff:

Some service users with mobility or mental health needs will no longer be entitled to free public transport in London.

Outline risks associated with proposal and mitigating actions:

4. Impact and risks of proposal

The saving impacts on other services – this may happen where the withdrawal of the Freedom Pass means the person becomes reliant on other Council services. A recent sample review found 7 of the 10 mobility cases sampled and 12 of the 40 mental health cases were no longer in receipt of services.

The saving is not achieved because it was an estimate – the saving is based on average usage so should be reasonably accurate. However, charging is done in arrears so there may be an issue with timing where the saving is not achieved in year 1. The timing / charging mechanism is being reviewed and discussed with London Councils who oversee the scheme.

Council reputation – communications will need to explain the reason for the change in policy. Not all London boroughs offer a discretionary scheme and of those that do some have withdrawn them or are reviewing them.

5. Financial information

Controllable budget:	Spend £'000	Income £'000	Net Budget £'000
	12,242	(24)	12,218
Saving proposed:	2016/17 £'000	2017/18 £'000	Total £'000
a) Either end scheme	200		200
b) or close to new applicants	20	20	40
Total	20-200	0-20	40-200
% of Net Budget	0.2%-2%	0%-0.2%	0.3%-2%
Does proposal impact on: Yes / No	General Fund	DSG	HRA
	Yes	No	No
If impact on DSG or HRA describe:			

6. Impact on Corporate priorities

Main priority	Second priority	Corporate priorities
8		<ol style="list-style-type: none"> 1. Community leadership and empowerment 2. Young people's achievement and involvement 3. Clean, green and liveable 4. Safety, security and a visible presence 5. Strengthening the local economy 6. Decent homes for all 7. Protection of children 8. Caring for adults and the older people 9. Active, healthy citizens 10. Inspiring efficiency, effectiveness and equity
Impact on main priority – Positive / Neutral / Negative	Impact on second priority – Positive / Neutral / Negative	
Negative		
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	
Medium		

7. Ward impact

Geographical impact by ward:	No specific impact / Specific impact in one or more	
	All	
	If impacting one or more wards specifically – which?	
	All	

8. Service equalities impact

Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N/A	Pregnancy / Maternity:	N/A
Gender:	N/A	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	M	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	M
For any High impact service equality areas please explain why and what mitigations are proposed:			
N/A			
Is a full service equalities impact assessment required: Yes / No			Yes

9. Human Resources impact

Will this saving proposal have an impact on employees: Yes / No	No
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10. Legal implications

State any specific legal implications relating to this proposal:
None

11. Summary timetable

Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc..), implementation:	
Month	Activity
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January 2016	Transition work ongoing
February 2016	Transition work ongoing and budget set 24 February
March 2016	Savings implemented

DRAFT



Customer Services Directorate

Consultation on proposed
removal of discretionary
Freedom Pass scheme

September 2014

Part 1 – About this Consultation

Topic of this consultation

1. This consultation is about the proposal to stop issuing new discretionary Freedom Passes and withdraw the 1,175 passes currently in use. Discretionary Freedom Passes, which allow free travel on public transport in London, are issued on application in the following circumstances:

Criteria for mobility condition:

- Unable to walk over 300 metres unaided
- Applicant has a degenerative medical condition effecting mobility

Criteria for Mental Health conditions:

- The mental health criteria identified is that the applicant has an enduring mental health condition and has accessed secondary care mental health services in the last 12 months.

2. The proposal would generate a saving of approximately £200,000 pa.
3. It is estimated that 68% of those affected would qualify for subsidised travel under another travel scheme that is not funded by the Council.

Audience

4. Anyone may respond to this consultation and all responses will be fully considered.
5. We are particularly keen to hear from current discretionary Freedom Pass holders and agencies that deliver services to them to understand the impact the proposal may have.

Duration

6. The consultation will be open for 3 weeks from 4 November 2014. The deadline for responses is 25 November 2014.

How to Respond

7. A letter will be sent to support agencies and 100 discretionary Freedom Pass recipients. There are several ways to respond to this consultation:
 - On the Council web site
 - By post to London Borough of Lewisham, PO Box 58996, London, SE6 9JD

After the Consultation

8. Once the consultation has closed all responses will be considered and a summary of responses collated and included in a report to Mayor and Cabinet.

Part 2 – Background

9. The Transport Act 2000 sets out the criteria which are used to determine eligibility to the National Freedom Pass scheme. The criteria are:
 - Blind or partially sighted,
 - Profoundly or severely deaf,
 - Without speech,
 - Disabled or has suffered an injury, which has a substantial and long – term adverse affect on his/her ability to walk,
 - Without arms or has long – term loss of the use of both arms,
 - Has a learning disability, that is, a state of arrested or incomplete development of mind which includes significant impairment of intelligence and social functioning,
 - If applied for the grant of a licence to drive a motor vehicle under Part III of the Road Traffic Act 1988, have his/her application refused pursuant to section 92 of the Act (physical fitness) otherwise than on the ground of persistent misuse of drugs or alcohol.
10. There are 37,000 Freedom Pass holders in the borough and the proposal does not impact on any of them.
11. The Transport Act 2000 allows the Council to have a locally determined discretionary Freedom Pass scheme for persons with a disability that do not meet the above criteria. In 2008 the Council implemented a discretionary Freedom Passes scheme, which allows free travel on public transport in London. Discretionary Freedom Passes are issued on application in the following circumstances:
 - Criteria for mobility condition:**
 - Unable to walk over 300 metres unaided
 - Applicant has a degenerative medical condition effecting mobility
 - Criteria for Mental Health conditions:**
 - The mental health criteria identified is that the applicant has an enduring mental health condition and has accessed secondary care mental health services in the last 12 months.
12. There are currently 1,175 discretionary Freedom Passes issued.

Lewisham Council Financial Position

13. Since 2010 the Council has cut more than £100 million from its budget. The Council needs to find savings of £85m in the next 3 years. For this reason the council has been undertaking a fundamental review of all its budgets.

Part 3 – The proposal

14. The proposal is to stop issuing new discretionary Freedom Passes and to withdraw those currently in use to deliver a saving of approximately £200,000 pa.
15. A recent sampling exercise of those currently in receipt of a discretionary Freedom Pass suggested that 68% would qualify for an alternative concession, this being 63% who would qualify for the JC+ travel discount card and 5% for the 60+ London Oyster card.
- JC+ travel discount card – This is available to residents who have been unemployed for 3 months and over, received a qualifying benefit or must be working with an advisor for a return to work, they will be able to apply for a concession that gives them half-price travel;
 - 60+ London Oyster card – This is available to residents who live in a London borough, are over the age of 60 but who do not qualify for a FP and they will qualify for free travel.

Timetable

16. The proposed timetable for the proposal which is subject to agreement by Mayor and Cabinet and the consultation process is:

23 October 2014 – report to Mayor and Cabinet
4 November 2014 – consultation process
December 2014 – Mayor and Cabinet
January 2014 - implementation

Part 4 – Consultation Questions

17. We are happy to receive responses to this consultation in any format and we are particularly keen to hear your views on the following:

- b. What will the impact be if the Council stops offering a discretionary Freedom Pass?