

Adult Social Care and Public Health CommitteeTuesday, 5th March 2024

REPORT TITLE:	2023/24 REVENUE AND CAPITAL BUDGET MONITORING FOR QUARTER 3 (1 APR – 31 DEC 2023)
REPORT OF:	DIRECTOR OF CARE AND HEALTH

REPORT SUMMARY

This report sets out the financial monitoring information for the Adult Social Care and Public Health Committee as at Quarter 3 (1 Apr – 31 Dec) 2023/24. The report provides Members with an overview of budget performance for this area of activity, including delivery of the 2023/24 saving programme and a summary of reserves to enable the Committee to take ownership of the budgets and provide robust challenge and scrutiny to Officers on the performance of those budgets.

Managing a budget requires difficult decisions to ensure that a balanced position can be presented. Regular Member engagement, which this report forms part of, is considered essential in delivering effective governance and financial oversight.

At the end of Quarter 3, there is a reported adverse position of £0.435m on the Committees net revenue budget of £131.257m.

This matter affects all Wards within the Borough and is not a key decision.

The report contributes to the Council Plan: Wirral Working Together 2023-2027 in supporting the organisation in meeting all Council priorities.

RECOMMENDATION/S

The Adult Social Care and Public Health Committee is requested to:

1. Note the adverse position presented at Quarter 3.
2. Note the delivery of the 2023/24 savings programme at Quarter 3.
3. Note the reserves allocated to the Committee for future one-off commitments.
4. Note the level of reserves at Quarter 3.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 It is vitally important that the Council has robust processes in place to manage and monitor the in-year financial position, to ensure it delivers a balanced position at the end of the financial year.
- 1.2 Regular monitoring and reporting of the revenue budgets and saving achievements enables decisions to be taken in a timely manner, which may produce revenue benefits and will improve financial control of Wirral Council.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The Policy & Resources Committee has previously determined the budget monitoring process to follow, and this report details the agreed course of action.
- 2.2 In striving to manage budgets, available options have been evaluated to maintain a balance between service delivery and a balanced budget.

3.0 BACKGROUND INFORMATION

- 3.1 This section provides a summary of the year end revenue forecast as at the end of Quarter 3, month 9 (December 2023) of the 2023/24 financial year.
- 3.2 The forecast financial outturn for 2023/24 is an adverse position of £0.435m against a total net budget of £131.257m.
- 3.3 The outturn reflects full achievement of the £5.935m 2023/24 savings target.

TABLE 1: 2023/24 Adult Care and Health – Service Budget & Outturn

	Budget	Forecast	Variance (- Fav, + Adv)		Adv/ Fav
	£000	£000	£000	%	
Adult Social Care Central Functions	8,096	8,457	361	5%	Adverse
Older People Services	62,382	62,550	168	0%	
Mental Health & Disability Services	54,888	55,093	205	0%	Adverse
Other Care Commissions	-59	-7	52	57%	
Delivery Services	5,586	5,355	-231	-4%	Favourable
Public Health	-161	-161	0	0%	Favourable
Wirral Intelligence Service	525	405	-120	-24%	
Committee Budget	131,257	131,692	435	0%	

- 3.4 The forecast shows no variance from quarter two and continues to represent a significant improvement from quarter one following allocation of £2.7m funding from the Market Sustainability and Improvement Fund (MSIF) Workforce Fund. Funding was announced by the Department of Health and Social Care (DHSC) in July 2023. The primary purpose of the fund is to build on the existing Market Sustainability and Improvement Fund to support local authorities to make tangible improvements to adult social care services in their area. The funding will support the ongoing pressures within social care from hospital discharges.
- 3.5 The numbers of clients supported in Wirral continues to increase, to date an increase of 5% across care services from the start of the financial year. Domiciliary care pick up continues to improve with activity reflecting an increase of 8% in commissioned packages since quarter one, however placements within residential and nursing settings are still increasing with activity showing 2% increase during the first 9 months of the financial year. With additional hours and top-up payments being made to meet the complex needs of people being discharged from hospital as early as possible, the cost of these placements continues to put pressure on the budget.
- 3.6 The forecast assumes the use of £0.500m from the Social Care earmarked reserve and full achievement of the £5.935m saving target, any slippage against this saving will further impact on the adverse forecast.
- 3.7 **Public Health:** A balanced position is reported at quarter 3. The Public Health Grant for 2023-2024 is £31.999m an increase of £1.011m from the 2022-23 allocation of £30.989m.
- 3.8 **Wirral Intelligence Team:** A small favourable position at quarter 3 reflecting vacancy within the team.

Outcome on Delivery of the 2023/24 Savings Programme

- 3.9 The £5.935m savings target for 2023/24 is shown in Table 2 below.

TABLE 2: 2023/24 Adult Care and Health – Budget Savings

Saving Title	Agreed Value	Outturn Value	RAG Rating	Comments
Demand Mitigations	£5.935m	£5.935m	Green	Forecast to be achieved
TOTAL	£5.935m	£5.935m		

- 3.10 The current forecast outturn assumes the full target will be achieved.

Earmarked Reserves

- 3.11 Earmarked reserves represent money that has been set aside for a clearly defined purpose, and which is available to meet future expenditure in that area. Table 3 below sets out the reserves within Adult Care and Health at the start of the financial year.

TABLE 3: 2023/24 Adult Care and Health – Earmarked Reserves

	Opening Balance £000	Forecast Use of Reserve £000	Forecast Contribution to Reserve £000	Closing Balance £000
Public Health Ringfenced Grant	6,912	0	0	6,912
Champs Innovation Fund	69	0	0	69
Champs Covid-19 Contact Tracing Hub	204	-204	0	0
Implementation of Charging Reform	97	0	0	97
Safeguarding Adults Board	46	-46	0	0
Adult Social Care & Public Health Total	7,329	-250	0	7,079

3.12 The Safeguarding reserve within Adult Social Care represents unspent contributions from previous years and are to be held in reserve for future Safeguarding activities.

3.13 The present forecast is for the reserve to remain at £6.912m at the year end. At quarter one the forecast year end reserve position for Public Health was to be £6.175m. This was based on a national indication that the 2023-2024 NHS pay award for Public Health commissioned NHS services would be met from the Public Health grant. The forecast reserves position has been revised to remain at £6.912m following the Department of Health announcement that it will now meet this 2023-2024 pay award for NHS providers.

3.14 A small reserve for Implementation of Charging Reform was set up to carry one off funds received to support costs Wirral may incur in implementing the new government charging reforms due to commence Oct-25.

Capital Programme

3.15 Table 4 below sets out the spend against the capital programme for Adult Social care during 2023/24

Table 4 – Capital Programme 2023-24

Capital Programme	2023/24			
	Budget £000	Borrowing £000	Grants £000	Total £000
Disabled Facilities Grant (DFG)	0		0	0

Citizen and Provider Portal/Integrated I.T.	63	52	11	63
Extra Care Housing	0	0	0	0
Liquid Logic – Early Intervention & Prevention	45	45	0	45
Telecare & Telehealth Ecosystem	1,452	0	1,452	1,452
Total	1,560	97	1,463	1,560

- 3.16 **Telecare & Telehealth Ecosystem:** This capital project is replacing analogue Telecare equipment with new digital Telecare equipment, such as fall detectors, panic buttons and activity tracking which will help with earlier identification of social care need and developing health issues while enabling people to remain safely in their own homes for longer.
- 3.17 **Extra Care:** Adult Social Care Commissioning Leads are working closely with strategic housing colleagues on new site opportunities which are either at planning or pre-planning stage.
- 3.17.1 There are several sites under current consideration across the Wirral but are not yet confirmed for progression. Some areas have multiple sites for consideration, and Officers are mindful to develop where there is an evidenced need or gap in provision, and not over develop.
- 3.17.2 There are two schemes due to complete this financial year, Sycamore place in July 23 and Spinnaker House in Feb 24.
- 3.17.3 Funding has slipped in 2024-25 as current schemes have secured funding via Homes England.
- 3.18 **Citizen and Provider Portal/Integrated I.T.:** The enhanced functionality for portal developments and integrated system elements are moving towards evaluation and project close. This will be dependent on the necessary testing being successfully completed for implementation for the committed spend. This covers a broader range of online adult social care service ability for providers and residents with integration across the core case management system for brokering services. An enhanced care finder element has been enabled in our test environment to support guided searching for services on Wirral Infobank and an embedded real time view of Health records within the adult social care system record is now live.
- 3.19 **Liquid Logic and Early Intervention:** The project covers the development of an Early Intervention & Prevention Module within the Adult Social Care system – Liquid logic, to provide the ability to import identified data sets for risk factors and stratification to enable early intervention & prevention.
- 3.19.1 Initial testing has commenced with imports of Health data and a workshop is planned with Knowsley & Liverpool, to agree the scoring matrix and map risk indicators. Once

the initial testing developments have been completed, associated project groups will be established which will include operational input.

4.0 FINANCIAL IMPLICATIONS

- 4.1 This is the revenue budget monitoring report that provides information on the forecast outturn for the Adult Care and Health Directorate for 2023/24. The Council has robust methods for reporting and forecasting budgets in place and alongside formal Quarterly reporting to Policy & Resources Committee, the financial position is routinely reported at Directorate Management Team meetings and corporately at the Strategic Leadership Team (SLT). In the event of any early warning highlighting pressures and potential overspends, the SLT take collective responsibility to identify solutions to resolve these to ensure a balanced budget can be reported at the end of the year.

5.0 LEGAL IMPLICATIONS

- 5.1 The Council must set the budget in accordance with the provisions of the Local Government Finance Act 1992 and approval of a balanced budget each year is a statutory responsibility of the Council. Sections 25 to 29 of the Local Government Act 2003 impose duties on the Council in relation to how it sets and monitors its budget. These provisions require the Council to make prudent allowance for the risk and uncertainties in its budget and regularly monitor its finances during the year. The legislation leaves discretion to the Council about the allowances to be made and action to be taken.
- 5.2 The provisions of section 25, Local Government Act 2003 require that, when the Council is making the calculation of its budget requirement, it must have regard to the report of the chief finance (s.151) officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves.
- 5.3 It is essential as a matter of prudence that the financial position continues to be closely monitored. In particular, Members must satisfy themselves that sufficient mechanisms are in place to ensure both that savings are delivered, and that new expenditure is contained within the available resources. Accordingly, any proposals put forward must identify the realistic measures and mechanisms to produce those savings.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 At this time, there are no additional resource implications as these have already been identified for the proposals agreed and submitted. However, where the budget is unbalanced and further proposals are required, then there will be resource implications, and these will be addressed within the relevant business cases presented to the Committee.

7.0 RELEVANT RISKS

- 7.1 The Council's ability to maintain a balanced budget for 2023/24 is dependent on a stable financial position. That said, the delivery of the budget is subject to ongoing variables both positive and adverse which imply a level of challenge in achieving this outcome.
- 7.2 In any budget year, there is a risk that operation will not be constrained within relevant budget limits. Under specific circumstances the Section 151 Officer may issue a Section 114 notice, but that position has not been reached at the present time.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Consultation has been carried out with the Senior Leadership Team (SLT) in arriving at the governance process for the 2023/24 budget monitoring process and the budget setting process. This report will also be shared and reviewed by the Independent Panel.
- 8.2 Since the budget was agreed at Full Council on 27 February, some proposals may have been the subject of further consultation with Members, Customer and Residents. The details of these are included within the individual business cases or are the subject of separate reports to the Committee.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision, or activity.
- 9.2 At this time, there are no further equality implications as these have already been identified for the proposals agreed and submitted. However, where the budget is unbalanced and further proposals are required, then there may be equality implications associated with these, and these will be addressed within the relevant business cases presented to the Committee.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 This report has no direct environmental implications; however due regard is given as appropriate in respect of procurement and expenditure decision-making processes that contribute to the outturn position.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 In year activity will have incorporated community wealth implications. Consideration would have taken account of related matters across headings such as the following:
- **Progressive Procurement and Social Value**

How we commission and procure goods and services. Encouraging contractors to deliver more benefits for the local area, such as good jobs, apprenticeship, training & skills opportunities, real living wage, minimising their environmental impact, and greater wellbeing.

- **More local & community ownership of the economy**
Supporting more cooperatives and community businesses.
Enabling greater opportunities for local businesses.
Building on the experience of partnership working with voluntary, community and faith groups during the pandemic to further develop this sector.
- **Decent and Fair Employment**
Paying all employees a fair and reasonable wage.
- **Making wealth work for local places**

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APPENDICES

None

BACKGROUND PAPERS

- 2022/23 Revenue Budget Monitor Quarter 4 (Apr - Mar)
- Adult Social Care and Public Health 2023/24 Budget and Budget Monitoring Process

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Adult Social Care and Public Health	16 November 2021
Adult Social Care and Public Health	25 January 2022
Adult Social Care and Public Health	14 June 2022
Adult Social Care and Public Health	11 October 2022
Adult Social Care and Public Health	29 November 2022
Adult Social Care and Public Health	6 March 2023
Adult Social Care and Public Health	13 June 2023
Adult Social Care and Public Health	19 September 2023
Adult Social Care and Public Health	28 November 2023