

**Adult Care and Health Overview and Scrutiny Committee
Tuesday, 19 March 2019**

REPORT TITLE:	Financial Monitoring Report Quarter 3 2018/19
REPORT OF:	Director of Finance & Investment (S151)

REPORT SUMMARY

This report sets out the financial monitoring information for the Adult Care and Health Overview & Scrutiny Committee. The report provides Members with detail to scrutinise budget performance for this area of activity. The financial information is at close of quarter 3 2018/19.

Information has been drawn from the relevant sections of the most recent Cabinet revenue and capital monitoring reports and combined with additional relevant service information to produce a bespoke report for this Overview & Scrutiny Committee. The report includes the following:

- Performance against the revenue budget (including savings)
- Performance against the capital budget

RECOMMENDATION/S

- 1 That members note the report and appendices.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

1.1 Overview and Scrutiny Committees receive regular financial updates throughout the year. These allow Committees to understand the financial position of the council and to scrutinise decisions and performance as required.

2.0 OTHER OPTIONS CONSIDERED

2.1 Not applicable

3.0 BACKGROUND INFORMATION

3.1 The position financially at quarter 3 for the council as a whole was presented at Cabinet on the 18th of February 2019. The quarter 3 revenue forecast is an overall overspend of £0.72 million for the year. Delivery Services forecast overspends making up all of this. Adult Care and Health is forecast as being balanced at year end.

The quarter 3 capital report recommends that Cabinet agree the 2018/19 Capital Programme of £53.5 million (£1.2 million relating to Adult Care and Health) which takes into account re-profiling identified during 2018/19. Expenditure to date is £33.3 million (£0.5 million of which relates to Adult Care and Health).

3.1.0 CHANGES TO THE AGREED BUDGET ADULT CARE AND HEALTH

3.1.1 The 2018/19 Budget was agreed by Council on 5 March 2018. Any increase to the overall Council Budget (but not use of the existing budget contingency) requires agreement by full Council.

Table 1: 2018/19 Original & Revised Net Budget

Theme	Q2 Budget	Budget Changes Q3	Revised Net Budget
	£000	£000	£000
Adult Care and Health	93,667	-1,842	91,825
Net Cost of Services	93,667	- 1,842	91,825

Budget movements in quarter three cover a movement in budget between Children's and Adults disability care. These movements have no effect on the bottom line budget of the Council and are just adjustments to better reflect where budgets should be placed.

3.2.0 PROJECTIONS AND KEY ISSUES

3.2.1 The projected outturn position as at the end of December 2018 and Wirral Plan: 2020 Vision Themes updates are detailed in the following sections.

Table 2: 2018/19 Projected Budget variations

Theme	Portfolio	Revised Budget	Forecast Outturn	(Under) Overspend Quarter 3
Adult Care and Health	Health & Care Outcomes	88,887	90,004	1,117
	Integrated Commissioning Programme	2,551	1,484	-1,067
	All Age Disability Service	387	337	-50
TOTAL		91,825	91,825	0

Adult Care and Health

Adult Health & Care is still forecast to balance its budget by year-end; there have been no significant changes to the forecast position from Quarter 2. There is a gross additional financial pressure on the service anticipated of £2.5m. This is comprised of two elements:

- 1) £0.7m relates to the remaining part-year effect of the increased demand for services in 18/19. This has caused additional expenditure against care budgets and will be fully mitigated through the continued delivery of the savings plan agreed at the start of the year (see below).
- 2) £1.8m relates to additional demand anticipated over the winter period, predominantly in the home care market. This will cause additional expenditure, but will be mitigated by Wirral's share of the additional £240m of funding announced by the DoHSC for Adult Social Care on 17th October '18.

The pooled fund of £131m, to which Adult Health & Care is a contributor, is currently forecasting a deficit position due to increased demand for services. Work is ongoing between Adult Health & Care and Wirral CCG to find means of managing this, including income generation and cost reduction plans. There is a potential further risk of £0.5m to Adult Health & Care if the pool is still in deficit at year-end.

3.3.0 IMPLEMENTATION OF SAVINGS

3.3.1 A summary of the position of 2018/19 Adult Care and Health savings at 31 December 2018 is below.

Table 3: Savings Implementation 2018/19 (£000's)

Portfolio	Approved Budget Reduction	Amount Delivered at Q3	Mitigation	To be Delivered
Adult Care and Health	2,000	1,303	0	697
Total	2,000	1,303	0	697

3.4.0 PERFORMANCE AGAINST CAPITAL BUDGETS QUARTER 3 (December 2018)

3.4.1 Capital Programme 2018/19 at end of Quarter 3 (31 December)

	Capital Strategy	September	December	Actual Spend Dec 2018
	£000	£000	£000	£000
Adult Care and Health	7,912	3,468	1,204	504
Total expenditure	7,912	3,468	1,204	504

* Break down of these figures can be found in appendix 1

3.4.2 Assistive Technology - various independent monitoring systems have been identified to support and maintain people living in their own homes, reducing the need for care packages and delaying the need for residential care. Work is continuing to identify suitable Medication Administration Record systems, the evaluation of both Geolocation tracking and home-smart monitoring systems.

3.4.3 Citizen and Provider Portal - progressing with the development of Liquidlogic and the integration of the ContrOCC system which helps teams improve the accuracy of their payments and charges. Commitments of £0.165 million are expected this year although actual payment only takes place once "go live" has been successfully implemented.

3.4.4 Extra Care Housing - the Council to pay Alpha Living £0.440 million in order for 78 units of extra care to be developed at Woodpecker Close. Onward Housing has now advised that their site acquisition is like to occur in July 2019. It is unlikely that the Council will incur any associated costs until then.

4.0 FINANCIAL IMPLICATIONS

4.1 The financial implications of this report are discussed throughout the report. This is essentially a financial monitoring performance update report.

5.0 LEGAL IMPLICATIONS

5.1 There are none arising directly from this report.

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

6.1 There are no implications arising directly from this report.

7.0 RELEVANT RISKS

7.1 There are none directly relating to this report. The monitoring of financial performance is important to ensure robust financial control procedures are in place. The council faces financial challenges in this period as it seeks to increase income, reduce costs whilst transforming its approach to services. There is a risk in future years that the Council does not achieve a planned approach.

8.0 ENGAGEMENT/CONSULTATION

8.1 No consultation has been carried out in relation to this report.

9.0 EQUALITY IMPLICATIONS

9.1 This report is essentially a monitoring report which reports on financial performance.

REPORT AUTHOR: *Christopher Kelly*
Principal Accountant
telephone: (0151) 666 3417
email: chriskelly@wirral.gov.uk

APPENDICES

Appendix 1 – Capital Programme and Funding 2018/19

BACKGROUND PAPERS

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Budget Council	5 March 2018
Cabinet – Revenue Monitoring 2018/19 Quarter 1	16 July 2018
Cabinet – Capital Monitoring 2018/19 Quarter 1	16 July 2018
Cabinet – Revenue Monitoring 2018/19 Quarter 2	26 November 2018
Cabinet – Capital Monitoring 2018/19 Quarter 2	26 November 2018
Cabinet – Revenue Monitoring 2018/19 Quarter 3	18 February 2019
Cabinet – Capital Monitoring 2018/19 Quarter 3	18 February 2019

Capital Programme and Funding 2018/19

APPENDIX 1

Adult Care & Health	Revised Programme £000	Spend to Date £000	Council Resources £000	Grants £000	Total Funding £000
Heswall Day Centre	90	4	90	-	90
Extra Care Housing	440	-	-	440	440
Citizen & Provider Portal/I.T.	50	25	-	50	50
Assistive Technology	185	103	-	185	185
Pensby Wood re-modelling (including fit out)	439	372	439	-	439
	1,204	504	529	675	1,204