

Adult Social Care and Public Health CommitteeTuesday, 18th July 2023

REPORT TITLE:	2023/24 REVENUE AND CAPITAL BUDGET MONITORING FOR QUARTER 1 (1 APR – 30 JUN 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 1 (1 Apr – 30 Jun) 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 1, there is a reported adverse position of £2.228m on the Committees net revenue budget of £130.579m.

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

The report contributes to the Wirral Plan 2021-2026 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 1.
2. Note the delivery of the 2023/24 savings programme at Quarter 1.
3. Note the reserves allocated to the Committee for future one-off commitments.
4. Note the level of reserves at Quarter 1.

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 savings 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 1, month 3 (June 2023) of the 2023/24 financial year.
- 3.2 The forecast financial outturn for 2023/24 is an adverse position of £2.228m against a total net budget of £130.579m.
- 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	7,097	7,589	492	7%	Adverse
Older People Services	62,841	64,984	2,142	3%	Adverse
Mental Health & Disability Services	54,874	54,566	(308)	-1%	Favourable
Other Care Commissions	109	97	(12)	-11%	Favourable
Delivery Services	5,411	5,325	(86)	-2%	Favourable
Public Health	(262)	(262)	0	0%	
Wirral Intelligence Service	509	509	0	0%	
Committee Budget	130,579	132,807	2,228	2%	Adverse

- 3.4 The forecast represents the continued pressure within residential and nursing care home placements which is partly related to the system priority to reduce the numbers of people in hospital who are deemed to no longer require hospital treatment. The Adult Social Care element of the winter discharge grant within the Better Care Fund will fund new schemes to support this pressure and to improve flow from the hospital while continuing to meet the cost of the first 4 weeks post discharge placement.
- 3.5 However, pressure remains from increased residential and nursing care home placements with restricted capacity within the domiciliary care market. During 2022-23 there was an increase in people supported of 11.6%, with 5% of this within residential and nursing care home settings. With additional top up payments being made to meet the complex needs of people being discharged from hospital as early as possible, this impact was a 13% increase to the forecast costs. It is too early to tell if this pattern will change in the new financial year.
- 3.6 The forecast assumes full achievement of the £5.935m saving target, any slippage against this saving will further impact on the adverse outturn.
- 3.7 **Public Health:** A balanced position (following contribution from reserves) is reported at quarter 1. 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 balanced position is reported at quarter 1.

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

Reserve Name	Value £000	Total £000
Public Health Ringfenced Grant	6,912	
Champs Innovation Fund	69	
Champs Covid-19 Contact Tracing Hub	204	
Implementation of Charging Reform	97	
Safeguarding Adults Board	46	
Adult Social Care & Public Health Total		7,328

- 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 Public Health Ringfenced grant reserve has an opening balance of £6.912m. The 2023/24 outturn currently suggests use of reserves to meet the contract values for 2023/24. This would leave a closing balance of £6.175m to meet future year contractual commitments.
- 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)	433		433	433
Citizen and Provider Portal/Integrated I.T.	63	52	11	63
Extra Care Housing	1,585		1,585	1,585
Liquid Logic – Early Intervention & Prevention	214	214	0	214
Telecare & Telehealth Ecosystem	1,529	0	1,529	1,529
Total	3,824	266	3,558	3,824

- 3.16 **Telecare & Telehealth Ecosystem:** The scheme is replacing analogue equipment with new digital equipment, such as fall detectors, panic buttons and activity tracking which will help with earlier diagnosis of health issues, thus assisting with independence and reduce pressure on hospitals and health providers.
- 3.16.1 1359 homes in Wirral are now equipped with digital Telecare via Telecare Proof of concept. Initial work has been completed to identify pre-cursor events, such as falls, and other emergencies attended by responders. Work to identify precursors to medical events has been delayed due to inaccessibility of health data.
- 3.16.2 Telecare Proof of Concept 2 is now underway with Access Assure. A third potential provider, 2ic-Care is developing a third Proof of Concept, scheduled for June 2023. This minimises the risk of Wirral becoming dependent on one supplier of advanced digital telecare.
- 3.16.3 New DHSC monies became available in October 2022, focussing on the introduction of digital care systems for social care provider services. This investment will be incorporated into the current programme to start the introduction of care management technology to Supported Living services and care homes. NHS Digital funds have also become available to support the introduction of technology to support people with learning disabilities.
- 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 year, Sycamore place in July 23 and Spinnaker House in Oct 23.
- 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 will focus on the ability to source personal assistants as part of the Direct Payment service options and the go live of an embedded real time view of Health records within the adult social care system record.
- 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 and prevention. Initial testing has commenced with plans to progress the pilot scheme and develop risk scoring.

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