

Performance, Budget and MTFS

Adults Scrutiny Panel
5 December 2023

Introduction

Budget Scrutiny for

- Background
- Draft Budget 2024-2025 and Medium Term Financial Strategy
- Our City Our Plan Performance
- Future Challenges
- Strategic Risk Register

Background

- This presentation provides an update on the budget position and the draft budget for 2024-2025.
- Scrutiny are asked to:
 - consider and comment on the draft budget and how it is aligned to priorities of the Council
 - Provide feedback to Scrutiny Board for consolidation and onward response to Cabinet on the Draft Budget 2024-2025 and Medium-Term Financial Strategy

Draft Budget 2024-2025 and MTFS Overview

Draft Budget and MTFS

- The 2023-2024 budget and MTFS was approved by Full Council on 1 March 2023. We reported a forecast budget deficit of £16.4 million in 2024-2025 rising to £23.1 million over the medium term to 2025-2026.
- Work has been ongoing to reduce the deficit with an update to Cabinet on 18 October 2023. The budget deficit for 2024-2025 is now projected to be in the region of £2.6 million.
- However, the budget and MTFS include efficiency targets which are held corporately totalling £6.2 million in 2023-2024, of which only £2 million has been allocated on a recurrent basis and £4.2 million is one off in nature.
- In addition, the current working assumptions include a further £2.6 million efficiency target for 2024-2025.
- Therefore, in addition to the £2.6 million projected deficit, efficiencies totalling £6.8 million is still required to be identified for 2024-2025.

Draft Budget and MTFS

- The projected budget deficit rising to over £20 million for 2025-2026.
- Work will continue to be undertaken to bring forward proposals to set a balanced budget for 2024-2025 and deliver a sustainable medium term financial strategy.
- Budget setting process is still under way. The Draft Budget presented in these slides is subject to changes.

2023-2024 Draft Budget and MTFS 2023-2024 to 2025-2026 Overview

Scrutiny Panel	2023-2024 Gross Expenditure Budget £000	2023-2024 Gross Income Budget £000	2023-2024 Net Revenue Expenditure/ (Income) Budget £000	Pay Related growth* £000	Growth 2024-2025 £000	Savings 2024-2025 £000	2024-2025 Draft Net Revenue Expenditure / (Income) Budget £000
Economy and Growth Scrutiny Panel	16,405	(10,747)	5,658	-	-	-	5,658
Health Scrutiny Panel	30,993	(29,897)	1,096	-	(360)	-	736
Resources and Equality Scrutiny Panel	226,224	(114,443)	111,781	10,645	(4,674)	4,423	122,175
Climate Change, Housing and Communities Scrutiny Panel	88,320	(49,485)	38,835	-	15	(1,000)	37,850
Children and Young People Scrutiny Panel	262,674	(209,208)	53,466	-	1,000	-	54,466
Adults Scrutiny Panel	139,025	(43,447)	95,578	-	11,699	-	107,277
Net Budget Requirement	763,641	(457,227)	306,414	10,645	7,680	3,423	328,162
Corporate Resources			(306,414)		(19,154)		(325,568)
Budget Challenge as at 18 October 2023							2,594

- Draft revised budget for 2023-2024 does not reflect passing out 2023-2024 pay award. This is held corporately. The 2023-2024 pay award was approved on 1 November and budgets will be passed out to services over the next few months
- * Pay related growth currently held corporately – includes provision for a 3% pay award
- **projected budget deficit assuming the delivery of efficiency targets totalling £6.8 million in 2024-2025

Overview – Uncertainties

- There continues to be significant uncertainty around
 - Future funding
 - Inflationary pressures
 - Demand for services
 - Future pay awards – currently assumes 3% in 2024-2025 and 2% for future years

Adults

Scrutiny Panel

Draft budget 2024-2025 and MTFS

Draft Budget

Service	2023-2024	2023-2024	2023-2024	Pay Related growth*	Growth 2024-2025	Savings 2024-2025	2024-2025 Draft Net Revenue Expenditure / (Income) Budget
	Gross Expenditure Budget	Gross Income Budget	Net Revenue Expenditure/ (Income) Budget				
	£000	£000	£000				
Adults Assessment & Care Management East	2,879	(549)	2,330		-	-	2,330
Adults Assessment & Care Management North	1,494	(122)	1,372		-	-	1,372
Adults Assessment & Care Management West	1,269	-	1,269		-	-	1,269
Adults Assessment and Care Management MASH	807	-	807		-	-	807
Adults Safeguarding	1,040	(108)	932		-	-	932
Carer Support	939	(054)	885		-	-	885
Community Support	146	-	146		-	-	146
Director of Adults services and Additional Monies	384	(8,686)	(8,302)		-	-	(8,302)
Independent Living Service	3,142	(1,287)	1,855		-	-	1,855

- draft revised budget after reversal of one-off virements
- The 2023-2024 pay award was approved on 1 November and is currently held corporately -
- The forecast impact of the 2024-2025 pay related growth –increments, NI and potential pay award is also held corporately. Current working assumptions make provision for a pay award of 3%
- At this point in time some growth and efficiency targets are being held in Corporate Accounts and will allocated when services have identified where it needs to be reflected.

Draft Budget

Service	2023-2024 Gross Expenditure Budget £000	2023-2024 Gross Income Budget £000	2023-2024 Net Revenue Expenditure/ (Income) Budget £000	Pay Related growth* £000	Growth 2024-2025 £000	Savings 2024-2025 £000	2024-2025 Draft Net Revenue Expenditure / (Income) Budget £000
Learning Disabilities Care Purchasing	39,747	(6,282)	33,465		4,734	-	38,199
Learning Disability Provider	5,587	(303)	5,284		-	-	5,284
Mental Health Assessment & Care Management	10,495	(1,903)	8,592		1,224	-	9,816
Older People Care Purchasing	54,026	(21,015)	33,011		4,637	-	37,648
Older People Provider Services	3,988	(106)	3,882		-	-	3,882
Physical Disabilities Care Purchasing	8,875	(2,292)	6,583		1,104	-	7,687
Community Financial Support	2,749	(609)	2,140		-	-	2,140
Commissioning and Transformation	1,458	(131)	1,327		-	-	1,327
Total	139,025	(43,447)	95,578	-	11,699	-	107,277

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Our City Our Plan Performance

Performance Overview

Fulfilled lives for all with quality care for those that need it

New indicators are included in Our City Our Plan reflecting the changing landscape of KPI's nationally

The council has seen improved and strong performance relating to how services make residents feel safe and secure and in control of their own lives, both areas in the top two quartiles of national performance.

Latest performance around how accessible information is to carers has seen a decrease. Current data in this area is set to be published shortly and it is hoped there will be improvement in this indicator based on the work linked to the Council's Commitment to the All Age Carers strategy.

Performance Overview

Fulfilled lives for all with quality care for those that need it

Number of indicators	Number showing improved or sustained strong performance	Number showing decreased performance or poor performance	Number with no update in YTD
6	4	2	0

Decreased performance

% Carers who use services who found it easy to find information about services and / or support


Workforce Turnover Rate (LA and Providers)

No update in YTD

N/A

Performance Overview

Indicator	Source	Latest Pub Data	Previous Rate	LA Worst Rate	LA Best Rate	WLV Rate	Rank	DoT
% of older people (aged 65 and older) who were still at home 91 days after discharge from hospital	SALT	Oct-22	70.9%	31.9%	99.5%	75.1%	124	Improved
% of adults in receipt of long-term services who are in control of their own lives	ASC User Survey	Oct-22	73.8%	65.6%	89.3%	81.6%	14	Improved
% of adults who use services who say social care services help them to feel safe and secure*	ASC User Survey	Oct-22	83.7%	62.8%	94.9%	88.3%	48	Improved
% Carers who use services who found it easy to find information about services and / or support	Carers Survey	Oct-22	59.1%	42.0%	82.9%	54.8%	93	Declined
Workforce Turnover Rate (LA and Providers)	Skills for Care	Oct-23	19.0%	47.4%	10.0%	21.1%	26	Declined

Indicator	Source	Jun-22	Aug-22	Dec-22	Mar-23	Oct-23	DoT
% of social care users supported to remain in their own homes	Local Data	73%	71%	72%	71%	73%	

Risks / Key areas to note

Adults assessment and Care Management

- The increased national demand for social workers means that there are risks around filling vacant posts and the additional costs of agency staff.

Care Purchasing

- The review process of care and support fees is ongoing and the required increase may be greater than initial modelled for the 2024-2025 budget. This market is provider led and subject to changes to inflation and National Living wage.

Care Purchasing

- The external market for care placements is provider led and there is risk around provider failure which could increase costs to the Council.

Earmarked Reserves

- Full list of Earmarked Reserves balances of all reserves at the end of 2022-2023 financial year were last reported to Cabinet on 12 July 2023 which can be access from:

[Agenda for Cabinet on Wednesday, 12th July, 2023, 5.00 pm :: Wolverhampton City Council \(moderngov.co.uk\)](#)

- Forecast Reserves balances for 2023-2024 will be going to Resources and Equality Scrutiny Panel on 7 December 2023.

Strategic Risk Register

- Risks last reported to the Cabinet on 15 November 2022.
- The following strategic risk relevant to this panel:
 - Safeguarding Adults
 - Social Care Providers - Adults
 - Inadequate rating from Care Quality Commission (CQC) Inspection for Adult Social Care (ASC)
- Strategic Risk register is available at:
- <https://wolverhampton.moderngov.co.uk/documents/s256782/Appendix%206%20-%20Strategic%20Risk%20Register.pdf>

wolverhampton.gov.uk