

Performance, Budget and MTFS

Health Scrutiny Panel
14 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 draft budget for 2024-2025 and Medium Term Financial Strategy.
- 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

Health

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
	Gross	Gross Income	Net Revenue				Draft Net
	Expenditure Budget	Budget	Expenditure/ (Income) Budget				Revenue Expenditure / (Income) Budget
	£000	£000	£000	£000	£000	£000	£000
Health Protection and Healthcare Public Health*	1,565	(1,565)	-	-	-	-	-
Healthy Life Expectancy*	6,796	(6,796)	-	-	-	-	-
Public Health Business Management*	5,084	(5,084)	-	-	-	-	-
Starting and Developing Well*	10,135	(10,135)	-	-	-	-	-
System Leadership*	214	(214)	-	-	-	-	-
Leisure Services	7,199	(6,103)	1,096	-	(360)	-	736
Total	30,993	(29,897)	1,096	-	(360)	-	736

- *Public Health Services are fully funded from grant (Public Health annual grant £22.5 m in 2023-2024)
- 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.

Our City Our Plan Performance

Performance Overview – Key Council indicators

- The performance indicators for the Healthy Inclusive Communities section of the Our City Our Plan update on an annual basis and are published through the publicly available Public Health Outcomes Framework (PHOF) hosted by the Office of Health Improvements Department.
- Since the last publication of this data the council has improved and demonstrated strong performance in the areas of NHS 40-74 year old health checks and alcohol mortality.
- Health checks are now back to pre-covid levels of uptake and in the national ranking Wolverhampton has moved into the top quartile of performance.
- The alcohol specific mortality rate has seen a significant decrease over the last reporting period and Wolverhampton has moved from having the highest mortality rate in the country to fourteenth nationally.

Performance Overview – Key Council indicators

- The percentage of physically inactive adults is currently unchanged.
- The data for less active children is currently unavailable. This is captured via the Active Lives Survey on an annual basis and therefore only reported once a year. The next data release is due on 7th December 2023, with the adult's data expected in April 2024. In the interim city data sources such as the Public Health Lifestyles Survey and Health Related Behaviour Survey inform the local response, however only the Active Lives data provides a national benchmark.
- The domestic abuse data covers the whole of the West Midlands police area, inclusive of Wolverhampton. It is not possible to gain this data by a smaller geography. Overall, the West Midlands has seen the rate of reported domestic abuse increase, but we cannot determine how Wolverhampton has changed within that measure. Over the next year we are looking to improve data links to determine the specific domestic abuse rates in Wolverhampton.

Performance Overview: Healthy, inclusive communities

Number of Indicators	Number showing improved or sustained strong performance	Number showing decreased or poor performance	Number showing no significant change	Number with no update YTD
6	2	1	2	1

Decreased performance

% Domestic Abuse related incidents and crimes per 1,000 (Wolverhampton as part of WM Police)

No update YTD

Suicide rate (all persons) per 100,000 – This data is reported over a 3 year period. During years covered by covid lockdowns PHOF has not been publishing new 3 year data.

Performance Overview – Key Council indicators

Indicator	Source	Latest Pub Date	Time Period Covered	Previous Rate	LA Worst Rate	LA Best Rate	WLV Rate	Rank	DoT
% of 40-74 years attending health checks	PHOF	Jul-23	2022/23	2.1	0.1	20.5	9.4	42 (out of 151)	Improved
Alcohol specific mortality per 100,000	PHOF	Mar-23	2021	29.3	33.7	4.6	20.5	14 (out of 148)	Improved
% of physically inactive adults (Public Health Outcomes Framework)	PHOF	May-23	2021/22	28.0	43.4	13.7	30.5	13 (out of 149)	No change
% of less active children (Active Lives Survey)	Active Lives Survey	Feb-23	2021/22	No data	33.7	57.8	35.0	104 (out of 106)	Not available
% Domestic Abuse related incidents and crimes per 1,000 (Wolverhampton as part of WM Police)	PHOF	Feb-23	2021/22	37.3	45.2	12.3	40.6	Not available	Worse
Suicide rate (all persons) per 100,000	PHOF	Sep-22	2019/21	7.9	15.3	3.5	7.9	120 (out of 148)	No change

Performance Overview – High level system indicators

Indicator	Source	Latest Pub Date	Time Period Covered	Previous Rate	LA Worst Rate	LA Best Rate	WLV Rate	Rank	DoT
% Hypertension prevalence	QOF	Nov-22	2021/22	14.1	18.2	6.8	14.1	77 (out of 151)	No change
% Diabetes prevalence	QOF	Nov-22	2021/22	8.6	10.2	2.7	8.8	15 (out of 151)	No change
% Coronary Heart Disease prevalence	QOF	Nov-22	2021/22	3.0	4.7	1.1	2.9	82 (out of 151)	No change
% Chronic Kidney Disease prevalence	QOF	Nov-22	2021/22	4.1	7.1	1.1	4.1	61 (out of 151)	No change
Stroke prevalence	QOF	Nov-22	2021/22	1.7	2.9	0.7	1.7	88 (out of 151)	No change
Dementia prevalence	PHOF	Feb-21	2020	4.7	5.1	2.9	4.3	32 (out of 150)	Improved

Risks / Key areas to note

Public Health Grant allocation

- Notification has been received in December 2023 of the indicative allocation for 2024-2025 of £22,758,935, an increase of 1.3%
- Indicative allocations for one year only impact on planning in the short and longer term.

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 Cabinet 15 November 2023 and the Audit and Risk Committee 27 November.
- The following strategic risk relevant to this panel:
 - Asylum and refugees
 - Impact of future pandemics
 - Climate change
 - Financial wellbeing and resilience
- Strategic Risk register is available at:
- <https://wolverhampton.moderngov.co.uk/documents/s256782/Appendix%206%20-%20Strategic%20Risk%20Register.pdf>

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