

Health Scrutiny Panel

7 November 2019

Report title	Draft Budget and Medium Term Financial Strategy 2020-2021 to 2023-2024	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Jasbir Jaspal Public Health & Wellbeing	
Corporate Plan priority	Confident Capable Council	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All	
Accountable Director	Claire Nye, Director of Finance	
Originating service	Strategic Finance	
Accountable employee	Alison Shannon	Chief Accountant
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Report to be/has been considered by

Recommendations for decision:

The Panel is recommended to:

1. Provide feedback to Scrutiny Board for consolidation and onward response to Cabinet on the budget relevant to the remit of this Panel and how it is aligned to the priorities of the Council.
2. Provide feedback to Scrutiny Board for consolidation and onward response to Cabinet on Draft Budget and Medium Term Financial Strategy 2020-2021 to 2023-2024 including budget proposals that are relevant to the remit of this Panel.
3. Approve that the Scrutiny Panel response be finalised by the Chair and Vice Chair of the Scrutiny Panel and forwarded to Scrutiny Board for consideration.

1.0 Purpose

- 1.1 The purpose of this report is to seek the Panel's feedback on the budget relevant to the remit of this Panel and how it is aligned to the priorities of the Council. In addition to this, the Panel's feedback is also sought on the Draft Budget and Medium Term Financial Strategy 2020-2021 to 2023-2024 that was presented to Cabinet on 16 October 2019 including budget proposals relevant to the remit of this Panel.

2.0 Draft Budget and Medium Term Financial Strategy Background

- 2.1 Since 2010-2011 despite the successive cuts in Council resources, which have led to significant financial challenges, the Council has set a balanced budget in order to deliver vital public services and city amenities. Over the last eight years the Council has identified budget reductions in excess of £220 million. The extent of the financial challenge over the medium term continues to represent the most significant challenge that the Council has ever faced, with reducing resources, growing demand for services and significant cost pressures.
- 2.2 The Budget and Medium Term Financial Strategy (MTFS) 2019-2020 to 2023-2024 was presented to Full Council for approval on 6 March 2019. The Council was able to set a balanced budget for 2019-2020 without the use of General Fund reserves. However, it was projected that the Council would be faced with finding further estimated budget reductions totalling £27.3 million in 2020-2021 rising to £40-£50 million over the medium term to 2023-2024.
- 2.3 Since then, work has been ongoing across the Council to identify opportunities in line with the Five Year Financial Strategy to support the budget strategy for 2020-2021 and future years, whilst also analysing emerging pressures and potential resources available to the Council, following the Spending Round 2019 announcement on 4 September 2019.

3.0 Our Council Plan 2019-2024

- 3.1 The Council's strategic approach to address the budget deficit continues to be to align resources to Our Council Plan 2019-2024 which was approved by Full Council on 3 April 2019.
- 3.2 Our Council Plan, developed with the people of the City of Wolverhampton at its heart, sets out how we will deliver our contribution to Vision 2030 and how we will work with our partners and communities to be a city of opportunity. The plan includes six strategic priorities which come together to deliver the overall Council Plan outcome of 'Wulfrunians will live longer, healthier and more fulfilling lives.' Over the medium term, resources will continue to be aligned to enable the realisation of the Council's strategic priorities of achieving:
- Children and Young People get the best possible start in life
 - Well skilled people working in an inclusive economy
 - More good jobs and investment in our city
 - Better homes for all

- Strong, resilient and healthy communities
- A vibrant, green city we can all be proud of.

3.3 All of the strategic outcomes will be supported by the 'Our Council' Programme, which will help us drive organisational improvement and development.

3.4 The Financial Strategy, approved by Council in March 2019, consists of five core principles underpinned by eight core workstreams. Using the Core Workstreams as the framework for the Financial Strategy detailed delivery plans are being developed all with a lead director. The core principles are:

- **Core Principles:**

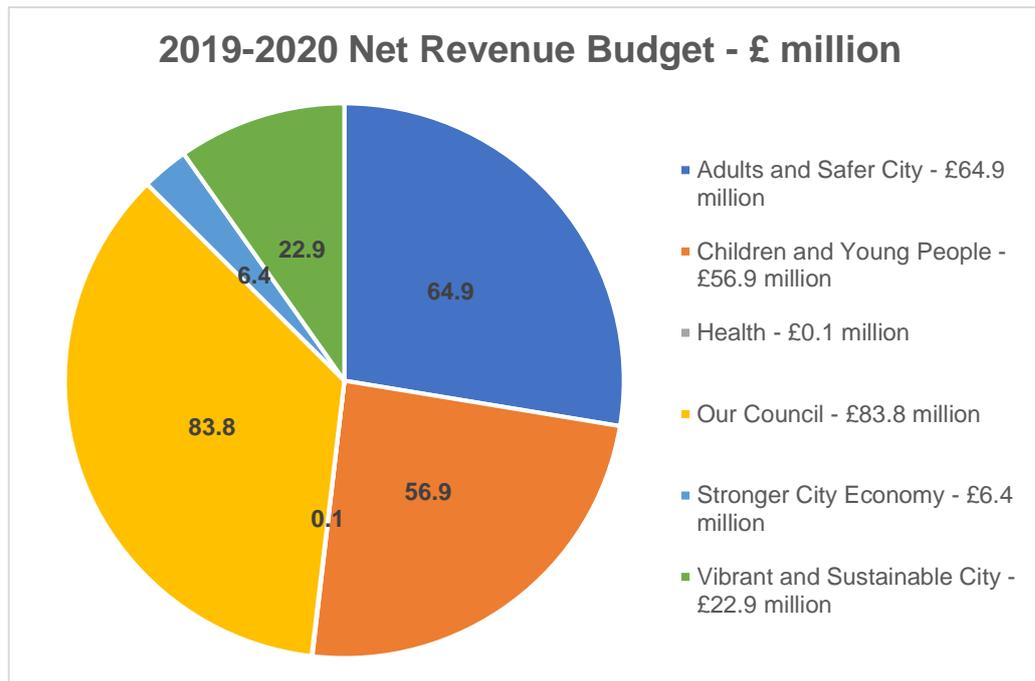
- **Focusing on Core Business.** Focus will be given to those activities that deliver the outcomes local people need and which align to our Council Plan and Financial Strategy.
- **Promoting Independence and Wellbeing.** We will enable local people to live independently by unlocking capacity within communities to provide an effective and supportive environment.
- **Delivering Inclusive Economic Growth.** We will continue to drive investment in the City to create future economic and employment opportunities.
- **Balancing Risk.** We will ensure we base decisions on evidence, data and customer insight.
- **Commercialising our Approach.** We will boost social value in our City by maximising local procurement spend with people and businesses.

4.0 Budget - Health Scrutiny Panel remit

4.1 As detailed above, when addressing the budget challenge, the Council continues to focus on aligning its resources to strategic outcomes.

4.2 The Council holds a net revenue expenditure budget totalling £234.9 million for the 2019-2020 financial year. Of this, services relevant to the remit of the Health Scrutiny Panel have net revenue expenditure budgets in the region of £100,000, as can be seen in Chart 1 below.

Chart 1 – Net Revenue Budget 2019-2020



- 4.3 Contained within the net revenue budget for this area is £20.2 million Public Health grant funded expenditure.
- 4.4 Part of the conditions of the Public Health grant are to deliver mandated public health services. These include:
- Healthy Child Programme (Health visiting and school nursing services)
 - Sexual Health open access
 - NHS health checks
- 4.5 Additionally, the grant is used to commission substance misuse services, and a range of health protection services. The conditions of the Public Health Grant also include the offer of expertise, support and advice to local NHS partners.

5.0 Key Strategies and Transformation

- 5.1 The revenue budgets allocated enable an approach to improving the health and wellbeing of the population that is outlined in the Public Health Vision 2030. The aspirations in the vision are closely aligned to the Health and Wellbeing Strategy 2018-2023 and the Council Plan 2019-2024, which has a commitment to Wulfrunians living healthier, longer, more fulfilling lives as its central objective.
- 5.2 Over the past year, the work to improve health and wellbeing has been underpinned by developing strong arrangements with anchor institutions in the city such as Royal Wolverhampton Hospitals NHS Trust. The intention behind such partnerships is to bring much needed stability into the 'system' and enable more collaborative working, rather than the traditional 'commissioner-provider split'.
- 5.3 There have been some notable successes in the first year. These include:
- Reducing the number of rough sleepers which contrasts with national trends
 - Increasing the number of health checks offered to our eligible populations – the City has moved from one of the lowest performing areas to top quartile within the year
 - More people recovering from substance misuse and finding employment
 - Significant improvement in flu vaccination uptake
 - Movement from lowest performing to second highest in the region for chlamydia detection
 - Healthy Child programme performance is at its highest since Public Health transferred to Council in 2013.
- 5.4 These successes serve as an invaluable springboard from which we seek to address some longstanding health challenges witnessed in the city such as poor uptake of cancer screening services. In the year ahead, as part of the efforts to achieve improvements, Public Health will build on the ward-based work that has commenced in recent months. This will provide opportunity to address key health inequalities in specific neighbourhoods.

6.0 Draft Budget and Medium Term Financial Strategy 2020-2021 to 2023-2024

- 6.1 Since March 2019, Cabinet have been provided with two further Budget and Medium Term Financial Strategy (MTFS) updates in July and October 2019 to identify opportunities in line with the Five Year Financial Strategy to support the budget strategy for 2020-2021 and future years.
- 6.2 In October 2019, Cabinet were presented with the Draft Budget and Medium Term Financial Strategy 2020-2021 to 2023-2024 report in which it was forecast that, after taking into account projected changes to corporate resources and emerging pressures, the projected remaining budget deficit for 2020-2021 would be in the region of £3.9 million, rising to £20 million over the medium term period to 2023-2024.
- 6.3 The MTFS includes provision for a real-terms increase to the Public Health grant budget in 2020-2021, announced by Government in the Spending Round 2019, to ensure local

authorities can continue to provide prevention and public health interventions. The additional funds will support the provision of public health and wellbeing across the City.

- 6.4 Appendix 1 provides a copy of the 'Draft Budget and Medium Term Financial Strategy 2020-2021 to 2023-2024' report for your consideration. There are no specific budget proposals relevant to the remit of this Panel, however, all proposals can be found at www.wolverhampton.gov.uk/financialstrategy. Feedback from this and the other Scrutiny Panel meetings will be reported to Scrutiny Board on 10 December 2019, which will consolidate that feedback in a formal response to Cabinet on 22 January 2020. The feedback provided to Scrutiny Board will include questions asked by Panel members, alongside the responses received. Cabinet will take into account the feedback from Scrutiny Board when considering the final budget setting report in February 2020, for approval by Full Council in March 2020.

7.0 Panel Recommendations

- 7.1 The Panel are recommended to provide feedback to Scrutiny Board for consolidation and onward response to Cabinet on:

- the budget relevant to the remit of this Panel and how it is aligned to the priorities of the Council;
- the Draft Budget and Medium Term Financial Strategy 2020-2021 to 2023-2024 and budget proposals relevant to the remit of this Panel;
- any other comments.

- 7.2 The Panel are also recommended to approve that the Scrutiny Panel response be finalised by the Chair and the Vice-Chair of the Scrutiny Panel and forwarded to Scrutiny Board for consideration.

8.0 Financial implications

- 8.1 The financial implications are discussed in the body of the report, and in the report to Cabinet.

[MH/30102019/O]

9.0 Legal implications

- 9.1 The legal implications will be included in the report to Cabinet, the Scrutiny Board having only an advisory role.

[LW/30102019/F]

10.0 Equalities implications

- 10.1 The equalities implications are discussed in the report to Cabinet.

11.0 Environmental and climate change implications

11.1 The environmental and climate change implications are discussed in the report to Cabinet.

12.0 Human resources implications

12.1 The human resources implications are discussed in the report to Cabinet.

13.0 Corporate landlord implications

13.1 The Corporate Landlord implications are discussed in the report to Cabinet.

14.0 Health and wellbeing implications

14.1 The Corporate Landlord implications are discussed in the report to Cabinet.

15.0 Schedule of background papers

Draft Budget and Medium Term Financial Strategy 2020-2021 to 2023-2024, report to Cabinet, 16 October 2019.

Draft Budget and Medium Term Financial Strategy 2020-2021 to 2023-2024, report to Cabinet, 31 July 2019.

2019-2020 Budget and Medium Term Financial Strategy 2020-2021 to 2023-2024, report to Full Council, 6 March 2019