

## Annex 3 – Update on MTFs 2023-27 Approved Budget Policy Change Items

MTFS Ref No	Detailed List of Proposed Budget Changes – Service Budgets	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	RAG rating	Commentary
	<b>Adults and Health Committee</b>	<b>15.274</b>	<b>6.077</b>	<b>4.751</b>	<b>5.116</b>		
1	Demand in Adult Social Care - unit cost inflation	12.652	-	-	-		Care in line with forecasts at year end 2022/23.
2	Demand in Adult Social Care - complexity	10.351	-	-	-		Care in line with forecasts at year end 2022/23.
3	Investment in Adult Social Care	5.400	7.600	4.000	4.000		On track in line with the Market Sustainability Plan.
4	Pay inflation	3.155	1.269	1.089	1.116		The total cost of pay inflation may exceed 5% based on national pay negotiations. This may be mitigated through management of vacancies.
5	Care Fee Uplifts in Adult Social Care	2.000	-	-	-		Volatility creating risk above the Market Sustainability Plan.
6	Direct Payment (Personal Assistants) Uplift	0.691	-	-	-		On track.
7	Revenue grants for Adult Social Care	-3.600	-2.480	-	-		On track.
8	Home First Strategy - increased care at home capacity	-4.000	-	-	-		On track to reduce beds and short stay expenditure.
9	Pension Costs Adjustment	-2.082	-0.493	-0.517	-		On track, subject to ongoing monitoring, dependent on in-year staffing costs.
10	Learning Disabilities Future Service Development and Review	-1.750	-	-	-		On track.
11	Client contribution yield offsetting growth	-1.200	-0.800	-0.800	-		On track.
12	Home First Strategy - alternative care provisions	-1.000	-	-	-		Challenges with delivery, alternative mitigations are being investigated.

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13	Market Sustainability and Fair Cost of Care - Grant Income	-0.979	-	0.979	-		On track.
14	Resettlement Revenue Grants	-0.850	0.850	-	-		On track.
15	Communities Team	-0.750	-	-	-		On track.
16	Direct Payment - Audit Recoveries	-0.750	-	-	-		On track.
17	ASC Transformation Earmarked Reserve Release	-0.500	0.500	-	-		On track.
18	Maximisation of Supported Living	-0.369	-0.369	-	-		On track.
19	Productivity and Efficiency in Adult Social Care	-0.271	-	-	-		Reprofile of staffing budgets being carried out.
20	Building Based Short Breaks	-0.250	-	-	-		Pending outcome of consultation process.
21	Adults and Health Non-Essential Commissioning/Contracts	-0.245	-	-	-		On track.
22	Building Based Day Services	-0.229	-	-	-		Pending outcome of consultation process.
23	Day Care Review	-0.150	-	-	-		On track.