

Adults and Health Committee

Date of Meeting:	30 May 2022
Report Title:	Adults and Health budgets 2022/23
Report of:	CLT Lead Officer: Alex Thompson, Director of Finance & Customer Services
Report Reference No:	AH/02/2022-23
Ward(s) Affected:	All wards and all members will be affected and impacted by the content of the MTFS and Corporate Plan.

1. Report Summary

- 1.1. This report determines the allocation of the approved budgets for 2022/23 to the Adults and Health Committee.
- 1.2. The report contributes to the Council's objective of being an open and enabling organisation.

2. Executive Summary

- 2.1. The Medium Term Financial Strategy (MTFS) for Cheshire East Council for the four years 2022/23 to 2025/26 was approved by full Council on 24th February 2022.
- 2.2. Cheshire East Council provides in the region of 500 local services every day. The Corporate Plan articulates a vision of how these services will make Cheshire East an Open, Fairer and Greener borough. The MTFS matches forecast resources to the costs associated with achieving the Council's vision.
- 2.3. The Finance Sub Committee meeting on the 2nd March approved the allocation of the approved capital and revenue budgets, related policy proposals and earmarked reserves to each of the service committees.

3. Recommendations

- 3.1. To note the decision of the Finance Sub-Committee to allocate the approved capital and revenue budgets, related policy proposals and

earmarked reserves to the Adults and Health Committee, as set out in **Appendix A**.

- 3.2. To note the supplementary estimates already approved as set out in **Appendix B**, Tables A and B.
- 3.3. To approve the supplementary estimates set out in **Appendix B**, Table C.
- 3.4. To recommend to Council to approve the supplementary estimate set out in **Appendix B**, Table D.
- 3.5. To note the financial reporting timetable as set out in **Appendix C**.

4. Reasons for Recommendations

- 4.1. The Adults and Health Committee has the responsibility for the oversight, scrutiny, reviewing of outcomes and performance, budget monitoring and risk management of the Directorates of Adults Social Care Operations; Commissioning and Public Health.
- 4.2. Finance Sub-Committee met on 2nd March and set out the budgets in accordance with the above responsibilities.

5. Other Options Considered

- 5.1. Not applicable.

6. Background

- 6.1. All councils are legally required to set a balanced budget each year. The MTFS was approved by full Council on 24th February 2022.
- 6.2. Finance Procedure Rules set limits and responsibilities for movement of funds within this balanced position, treating reserves as part of this overall position. Any movement within this balanced position is treated as a virement. To increase the overall size of the MTFS requires a supplementary estimate, which must be backed with appropriate new funding and approved in line with the Procedure Rules.
- 6.3. To support accountability and financial control the 2022/23 budget is reported across the Committees based on their associated functions. This report sets out the allocation of the revenue and capital budgets and earmarked reserves to the Adults and Health committee in accordance with its functions.
- 6.4. Each committee Function has been associated with a Director budget. Budget holders are responsible for budget management. Where a team supports multiple Directors (most notable in Corporate Services) the budget remains with the Director and is not split, for example, Governance and Democratic Services are aligned to the Corporate Policy Committee even though the activity of the team is split across all teams.

- 6.5. The financial alignment of budgets to each Committee is set out in Table 1 with further details on the Adults and Health Committee budgets in Appendix A.

Table 1: Revenue and Capital Budgets allocated to service committees as per the approved MTFS

Committee	Expenditure £m	Income £m	Net Budget £m	Total Capital Budget £m	Total Rev + Cap £m
Health and Adults	178.126	-57.287	120.839	-	120.839
Highways and Transport	20.673	-8.871	11.802	77.435	89.237
Children and Families	77.272	-3.495	73.777	33.793	107.570
Economy and Growth	32.654	-9.144	23.510	52.001	75.511
Environment and Communities	54.795	-10.422	44.373	10.973	55.346
Corporate Policy	94.672	-56.350	38.322	7.043	45.365
Finance Sub Committee	16.007	-0.900	15.107	4.000	19.107
			-327.730	-185.245	-512.975
Original Budget (MTFS Feb 22)	474.199	-146.469	0.000	0.000	0.000

- 6.6. The 2022-25 MTFS includes a net revenue budget of £327.7m and an approved capital programme of £185.3m for the financial year 2022/23. Further details on the schemes within the capital programme for the Adults and Health Committee are provided in Appendix A.
- 6.7. Council wide budget control rests with the Corporate Policy Committee (and Finance Sub Committee) and Council. Budgets have been aligned with service committees to facilitate expenditure assurance but committees do not hold 'a budget'. Responsibility for budget management remains with officers but the Committee is responsible for assuring the budget is spent on delivering the objectives set out in the policy framework of the Corporate Plan.

7. Consultation and Engagement

- 7.1. The annual business planning process involves engagement with local people and organisations. Local authorities have a statutory duty to consult on their Budget with certain stakeholder groups including the Schools Forum and businesses. In addition, the Council chooses to consult with other stakeholder groups. The Council continues to carry out stakeholder analysis to identify the different groups involved in the budget setting process, what information they need from us, the information we currently provide these groups with, and where we can improve our engagement process.
- 7.2. Cheshire East Council conducted an engagement process on its Medium-Term Financial Plans through a number of stages running from November 2021 to Council in February 2022.

- 7.3.** The budget consultation launched on-line on the 24th November 2021, included details of the proposals against each Corporate Plan aim. This consultation was made available to various stakeholder groups and through a number of forums.

8. Implications

8.1. Legal

- 7.1.1.** The legal implications surrounding the process of setting the 2022 to 2026 Medium Term Financial Strategy were dealt with in the reports relating to that process.

7.2. Finance

- 7.2.1.** Contained within the main body of the report.

7.3. Policy

- 7.3.1.** The Corporate Plan sets the policy context for the MTFS and the two documents are aligned. Any policy implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

7.4. Equality

- 7.4.1.** The Council needs to ensure that in taking decisions on the Medium Term Financial Strategy, the Budget and the Corporate Plan, the impacts on those with protected characteristics are considered. The Council undertakes equality impact assessments where necessary and continues to do so as proposals and projects develop across the lifetime of the Corporate Plan. The process assists us to consider what actions could mitigate any adverse impacts identified. Completed equality impact assessments form part of any detailed Business Cases.
- 7.4.2.** Any equality implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

7.5. Human Resources

- 7.5.1.** Any HR implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

7.6. Risk Management

- 7.6.1.** Financial risks are assessed and reported on a regular basis, and remedial action taken if and when required. Risks associated with the achievement of the 2022/23 budget and the level of general reserves were factored into the 2022/23 financial scenario, budget and reserves strategy.

7.7. Rural Communities

7.7.1. The report provides details of service provision across the borough.

7.8. Children and Young People/Cared for Children

7.8.1. The report provides details of service provision across the borough.

7.9. Public Health

7.9.1. Public health implications that arise from activities that this report deals with will be dealt with as separate reports to Members or Officer Decision Records as required.

7.10. Climate Change

7.10.1. Any climate change implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

Access to Information	
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Appendices:	A - Allocation of capital and revenue budgets, earmarked reserves and policy proposals to service committees B – Supplementary Estimates C – Financial Reporting Timetable 2022-23
Background Papers:	The following are links to key background documents: Medium-Term Financial Strategy 2022-26