



# Second Financial Review 2023/24

November 2023

This report receives scrutiny and approval from Members of Cheshire East Council. As a public report, the Council welcomes feedback to the information contained here.

**Anyone wanting to comment is invited to contact the Council at:**

**[RandC@cheshireeast.gov.uk](mailto:RandC@cheshireeast.gov.uk)**

# Introduction

Cheshire East Council is the third largest Council in the Northwest of England, supporting over 398,000 local people with annual spending of over £750m.

Local government is going through a period of financial challenges, with a combination of the impact of increasing demand for services and rising costs due to inflation and interest rates. There is also increasing uncertainty associated with income from business rates and government grants.

Demand for Council services is increasing, with more individuals and families needing support and services than ever before. This reflects an increase in population but also reflects changes in demographics and the national cost of living increases. This demand is resulting in a forecast outturn of £18.7m against a net revenue budget of £353.1m. The most significant impact is within the rising costs of Children's Social Care. Further activity is required to identify other mitigating measures.

When the 2023/24 budget was set, in February 2023, it was highlighted that the use of reserves was not sustainable in the medium term. Net spending therefore needs to be contained within the estimates of expenditure that form the budget. The forecasts at first review highlight pressures due to demand, inflation, interest rates and pay negotiations. These will almost certainly affect the medium term finances of the Council. This situation must be addressed now and as part of the MTFS process for 2024 to 2028.

To support openness and transparency, and provide evidence of strong governance, the report has a main section, to provide background and context, and then nine supporting appendices with detailed information about allocation and management of public money during 2023/24.

The **Financial Stability** section provides information on the overall financial stability and resilience of the Council. It demonstrates how spending in 2023/24 is being funded, including the positions on overall service budgets, centrally held budgets, Council Tax and Business Rates. Further details are contained in the appendices.

- **Appendix 1** Adults and Health Committee.
- **Appendix 2** Children and Families Committee.
- **Appendix 3** Corporate Policy Committee.
- **Appendix 4** Economy and Growth Committee.
- **Appendix 5** Environment and Communities Committee.
- **Appendix 6** Highways and Transport Committee.
- **Appendix 7** Finance Sub-Committee.
- **Appendix 7a** Update to the Treasury Management Strategy.
- **Appendix 7b** Update to the Investment Strategy.

*Alex Thompson*

Director of Finance and Customer Services  
(Section 151 Officer)

# Contents

Introduction	1
2023/24 Revenue Forecast	3
Financial Stability - Introduction	4
Appendices	
Appendix 1 – Adults and Health Committee	6

## 2023/24 Outturn Forecast - Financial Position

2023/24	Revised Budget (NET) £m	Forecast Outturn £m	Forecast Variance £m	For further information please see the following sections
<b>SERVICE DIRECTORATES</b>				
Adults, Health and Integration	136.5	141.2	4.7	Appendix 1
Children's Services	80.3	91.0	10.8	Appendix 2
Place - Directorate/Growth & Enterprise	24.8	22.9	(1.9)	Appendix 4
Place - Environment & Neighbourhood Services	48.7	52.3	3.5	Appendix 5
Place - Highways & Infrastructure	11.2	12.4	1.2	Appendix 6
Corporate Services	41.2	40.7	(0.5)	Appendix 3
<b>Total Services Net Expenditure</b>	<b>342.7</b>	<b>360.5</b>	<b>17.8</b>	
<b>CENTRAL BUDGETS</b>				
Capital Financing	19.0	19.4	0.4	Appendix 7 Section 5
Transfer to/(from) Earmarked Reserves	(7.4)	(7.4)	-	Appendix 7 Section 6
Transfer from MTFES Earmarked Reserve	-	-	-	Appendix 7 Section 6
Corporate Contributions / Central Budgets	(1.2)	(0.7)	0.5	Appendix 7
<b>TOTAL NET EXPENDITURE</b>	<b>353.1</b>	<b>371.9</b>	<b>18.7</b>	
Business Rates Retention Scheme	(55.3)	(55.3)	-	Appendix 7 Section 2
Specific Grants	(26.8)	(26.8)	-	Appendix 7 Section 3
Council Tax	(271.1)	(271.1)	-	Appendix 7 Section 2
<b>Net Funding</b>	<b>(353.1)</b>	<b>(353.1)</b>	<b>-</b>	
<b>NET (SURPLUS) / DEFICIT</b>	<b>-</b>	<b>18.7</b>	<b>18.7</b>	

# Financial Stability

## Introduction

- The Council has a track record of sound financial management. Nevertheless, in common with all UK local authorities the Council finds itself in a position where pressures on the revenue budget are intensifying as a result of inflation, the legacy impact of the Coronavirus pandemic on people and on the economy and increasing cost of living pressure on households. These issues have the effect of increasing the demand for services and increasing costs of services.
- Complexity and market sustainability in Adults' and Children's Social Care remains the most significant financial pressure for the Council in the medium term. The affects of inflation on contracts, utilities and wage levels are affecting costs across all services.
- Table 1** provides a service summary of financial performance. The current forecast is that services will be £18.7m over budget in the current year which includes mitigating actions identified to date. The 2023/24 Approved Budget Policy Changes and Forecast Variances provide further details and changes to service net budgets since the Medium-Term Financial Strategy (Section 2 in the **Appendices 1-6**).
- It also shows that central budgets are forecast to be £0.9m over budget resulting in an overall forecast outturn of £18.7m against a net revenue budget of £353.1m.
- Further items impacting on the level of the Council's balances are detailed in **Appendix 7**.

**Table 1 - Service Revenue Outturn Forecasts**

2023/24	Revised Budget (NET) £m	Forecast Outturn £m	Forecast Variance £m	Forecast Variance FR1 £000	Movement from FR1 to FR2 £000
<b>SERVICE DIRECTORATES</b>					
Adult Social Care - Operations	137.9	142.6	4.7	0.2	4.4
Commissioning	(1.4)	(1.4)	0.1	0.1	-
Public Health	-	-	-	-	-
<b>Adults and Health Committee</b>	<b>136.5</b>	<b>141.2</b>	<b>4.7</b>	<b>0.3</b>	<b>4.4</b>
Directorate	0.2	0.4	0.1	0.7	(0.6)
Children's Social Care	49.4	58.8	9.4	4.8	4.6
Strong Start, Family Help and Integration	7.4	6.8	(0.6)	(0.6)	0.0
Education & 14-19 Skills	23.2	25.0	1.8	2.1	(0.3)
<b>Children and Families Committee</b>	<b>80.3</b>	<b>91.0</b>	<b>10.8</b>	<b>7.0</b>	<b>3.8</b>
Directorate	0.2	(0.0)	(0.2)	(0.2)	-
Growth & Enterprise	24.6	22.9	(1.7)	(1.7)	0.0
<b>Economy and Growth Committee</b>	<b>24.8</b>	<b>22.9</b>	<b>(1.9)</b>	<b>(1.9)</b>	<b>0.0</b>
Environment & Neighbourhood Services	48.7	52.3	3.5	4.2	(0.7)
<b>Environment and Communities Committee</b>	<b>48.7</b>	<b>52.3</b>	<b>3.5</b>	<b>4.2</b>	<b>(0.7)</b>
Highways & Infrastructure	11.2	12.4	1.2	1.2	0.1
<b>Highways and Transport Committee</b>	<b>11.2</b>	<b>12.4</b>	<b>1.2</b>	<b>1.2</b>	<b>0.1</b>
Directorate	0.6	0.5	(0.1)	0.2	(0.3)
Finance & Customer Services	12.8	12.9	0.2	0.5	(0.3)
Governance & Compliance Services	10.8	10.3	(0.4)	0.1	(0.5)
Communications	0.7	0.7	0.0	(0.0)	0.0
HR	2.6	2.4	(0.2)	-	(0.2)
ICT	11.8	12.0	0.2	0.3	(0.2)
Policy & Change	2.0	1.9	(0.1)	(0.1)	0.0
<b>Corporate Policy Committee</b>	<b>41.2</b>	<b>40.7</b>	<b>(0.5)</b>	<b>0.9</b>	<b>(1.4)</b>
<b>TOTAL SERVICES NET EXPENDITURE</b>	<b>342.7</b>	<b>360.5</b>	<b>17.8</b>	<b>11.7</b>	<b>6.2</b>
<b>CENTRAL BUDGETS</b>					
Capital Financing	19.0	19.4	0.4	0.4	0.0
Transfer to/(from) Earmarked Reserves	(7.4)	(7.4)	-	-	-
Corporate Contributions / Central Budgets	(1.2)	(0.7)	0.5	0.7	(0.2)
<b>Finance Sub-Committee - Central Budgets</b>	<b>10.4</b>	<b>11.3</b>	<b>0.9</b>	<b>1.1</b>	<b>(0.2)</b>
<b>TOTAL NET EXPENDITURE</b>	<b>353.1</b>	<b>371.9</b>	<b>18.7</b>	<b>12.8</b>	<b>5.9</b>
Business Rates Retention Scheme	(55.3)	(55.3)	-	-	-
Specific Grants	(26.8)	(26.8)	-	-	-
Council Tax	(271.1)	(271.1)	-	-	-
<b>Finance Sub-Committee - Net Funding</b>	<b>(353.1)</b>	<b>(353.1)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET (SURPLUS) / DEFICIT</b>	<b>-</b>	<b>18.7</b>	<b>18.7</b>	<b>12.8</b>	<b>5.9</b>
<b>General Reserves Balance 2023/24 Budget</b>					
	<b>£m</b>	<b>Actual</b>			
Opening Balance April 2023	14.1	Forecast			
2023/24 Impact on Reserves (see above)	(18.7)	Forecast			
Closing Balance March 2024	(4.6)	Forecast			

# Appendices to Second Financial Review 2023/24

**November 2023**

# **Appendix 1: Adults and Health Committee**

## **Contents**

- 1. Changes to Revenue Budget 2023/24 since First Financial Review**
- 2. 2023/24 Approved Budget Policy Changes and Forecast Variances**
- 3. Corporate Grants Register**
  - Table 1: Adults and Health Committee Grants**
  - Table 2: Council Decision Additional Grant Funding (Specific Purpose) over £1m**
- 4. Debt Management**
- 5. Capital Strategy**
- 6. Reserves Strategy**



# Appendix 1

## Adults and Health Committee

### 1. Changes to Revenue Budget 2023/24 since First Financial Review

	First Review Revised Net Budget	Adjustments to FR1 Budget	Second Review Revised Net Budget	Unringfenced Grants to be Actioned
	£000	£000	£000	£000
<b>Adults</b>				
Adult Social Care Operations	137,923	-	137,923	-
Commissioning	(1,433)	-	(1,433)	-
Public Health	-	-	-	-
<b>Adults and Health Committee</b>	<b>136,490</b>	<b>-</b>	<b>136,490</b>	<b>-</b>

Note the unringfenced grants to be actioned column includes the expenditure part of centrally held unringfenced grants. These budget adjustments will take place once all second financial review approvals have been given. No adjustments are required as part of this review.

# Adults and Health Committee

## 2. 2023/24 Approved Budget Policy Changes and Forecast Variances

### Forecast Outturn Commentary:

The cost and demand pressures that drove the deficit in adult social care and health services in 2022/23 continue, locally and nationally, and this is reflected in the forecast outturn at the end of quarter 2 for 2023/24, with the forecast pressure of £4.7m split between commissioning costs and staffing costs.

The budget strategy set out several critical actions to bring down the underlying budget pressures. These included:

- A reduction in the use of short-term residential and nursing placements – all of the additional beds that were in use during 2022/23 have now been closed. Several people have converted to long-term residential or nursing placements and this is reflected in the above average number of placements. This was not unexpected.
- Investment in domiciliary care – this has generated an increase in the number of available domiciliary care hours, and we have seen an increase in the number of people supported to live at home. We are monitoring activity closely to ensure that our plan to increase domiciliary care so that we can reduce our reliance on residential and nursing care is being achieved.
- Capping price increases – we continue to see demands for price increases on residential, nursing, and complex care beyond that which we set out in our plan. We are investing in a pricing tool that allows us to scrutinise provider costs to ensure that they are in-line with expectations and the level of service commissioned and it is our expectation that this will assist in ensuring prices stay in line with expectations.

Unusually this year internal staffing costs internally are forecast to rise above budgeted levels for two reasons, the pay award for Council staff is above that which was budgeted and will have a disproportionately higher impact in adult social care because we employ more staff on lower grades. We have also seen an increase in agency costs for social care staff because of the shortage nationally of qualified staff. Our internal programme to support the qualification of social workers and occupational therapists is successful but cannot close this gap quickly. We are reviewing our current usage of agency staff to identify how we can bring this expenditure down in-year.

The budget variance for Adult Social Care has worsened since FR1. The main reason is persistent supply-side pressure within the external care market. The impact of inflation on the unit cost of residential and nursing care has exceeded previous expectations. Since FR1 the variance against externally commissioned care has worsened by £4.4m.

Client contributions remain buoyant alleviating some of the un-forecasted growth; however, the value of client contributions remain in line with existing proportions of gross expenditure and so do not reduce the net overall movement.

The Market Sustainability Funding announced in July is assumed to be fully utilised in-year. It has helped to mitigate the growth in external care by £2.2m.

MTFS Ref No	Detailed List of Service Budget Changes	2023/24 £m	2023/24 Variance £m	Commentary
	<b>Adults and Health Committee</b>	<b>15.274</b>		
1	Demand in Adult Social Care - unit cost inflation	12.652	0.000	Care budget growth in line with forecasts at year end 2022/23. This has taken affect with an uplift to the external care budget in 2023/24.
2	Demand in Adult Social Care - complexity	10.351	0.000	Care budget growth in line with forecasts at year end 2022/23. This has taken affect with an uplift to the external care budget in 2023/24.
3	Investment in Adult Social Care	5.400	4.515	Emerging pressure on care costs. Demand remains strong, providers continue to seek price increases. The impact on both the council and the Integrated Care Board of closing short term beds (item 8) is currently being worked through.
4	Pay inflation	3.155	0.778	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	0.500	Volatility in relation to complex care packages (supported living) is creating risk above the funds provided through the Market Sustainability Plan.
6	Direct Payment (Personal Assistants) Uplift	0.691	0.000	On track. Growth in budget has been applied to the personal assistant budget for direct payments.
7	Revenue grants for Adult Social Care	-3.600	0.000	On track. Technical financial adjustment to the budget. Grants are being received as planned.

MTFS Ref No	Detailed List of Service Budget Changes	2023/24 £m	2023/24 Variance £m	Commentary
8	Home First Strategy - increased care at home capacity	-4.000	1.056	The phased plan of reductions on short term bed is on track. The weekly commitment has reduced from £0.219m to £0.120m by the end June. This delivers the £4m targeted reduction, but the phasing of delivery means the benefit in 2023/24 will be approximately £3m (assuming current commitment remains consistent until year end).
9	Pension Costs Adjustment	-2.082	0.000	On track, subject to ongoing monitoring, dependent on in-year staffing costs.
10	Learning Disabilities Future Service Development and Review	-1.750	0.000	On track. Savings are being independently monitored by senior managers in adults in collaboration with finance.
11	Client contribution yield offsetting growth	-1.200	0.000	On track. The existing fees and charges policy ensures income is appropriately received; this has been verified through a review of income received during first financial review for 2023/24.
12	Home First Strategy - alternative care provisions	-1.000	0.240	Challenges with delivery due to managing increasing general demand alongside the additional reviews required to achieve this saving. Alternative mitigations are being investigated, including working with Impower to review the use of technology enabled care (TEC). £720,000 of the saving is linked to alternative provision from reviews such as TEC which is anticipated to be the two thirds delivered.
13	Market Sustainability and Fair Cost of Care - Grant Income	-0.979	0.000	On track. Technical financial adjustment to the budget. Grants are being received as planned.
14	Resettlement Revenue Grants	-0.850	0.000	On track. Technical financial adjustment to the budget. Grants are being received as planned.
15	Communities Team	-0.750	0.000	On track. Grant funding relating to this has been received and future grants allocations have been confirmed.
16	Direct Payment - Audit Recoveries	-0.750	0.000	On track. Whilst further work is underway to verify, analysis of previous recovery exercise and amounts recovered to date gives reassurance that this will be achieved.

MTFS Ref No	Detailed List of Service Budget Changes	2023/24 £m	2023/24 Variance £m	Commentary
17	ASC Transformation Earmarked Reserve Release	-0.500	0.000	On track. Technical financial adjustment to the budget. The reserve will be drawdown in 2023/24 as planned.
18	Maximisation of Supported Living	-0.369	0.000	On track. Savings are being independently monitored by senior managers in adults in collaboration with finance.
19	Productivity and Efficiency in Adult Social Care	-0.271	0.271	Establishment work underway to quantify any remaining staffing budget pressures. This will involve a review of all existing agency appointments.
20	Building Based Short Breaks	-0.250	0.250	Pending outcome of consultation process. Whilst not expected to be fully achieved in 2023/24, the saving has been fully mitigated elsewhere in the Care4CE service, this has been reflected in the first financial review position.
21	Adults and Health Non-Essential Commissioning/Contracts	-0.245	0.000	On track. Permanent recurrent funding has been identified within the directorate to ensure full delivery.
22	Building Based Day Services	-0.229	0.114	Pending outcome of consultation process. Whilst not expected to be fully achieved in 2023/24, the saving has been fully mitigated elsewhere in the Care4CE service, this has been reflected in the first financial review position.
23	Day Care Review	-0.150	0.000	On track. Savings are being independently monitored by senior managers in adults in collaboration with finance.
New	In-year pressures	0.000	0.509	Balancing variance to capture net pressure on other budget lines. Includes social work operations staffing budget variance (the variance on external care is covered within item 3 & 5).
New	Market Sustainability Grant	0.000	-2.206	Announced in July 2023 - will be applied against growth in care fees during the year.
	<b>TOTAL FORECAST VARIANCE</b>		<b>6.027</b>	

MTFS Ref No	Detailed List of Service Budget Changes	2023/24 £m	2023/24 Variance £m	Commentary
Further Mitigations / Adjustments to FR2	In-year growth to Care Fees		1.000	Estimated impact of price inflation on unit cost of care. Assumes current volume of care & average rate of turnover is maintained. And that new packages of care bought at prices seen since April 2023
	Staffing Efficiencies		-0.332	Staffing review underway. Estimate assumes a reduction of agency contracts in the service
	Revenue Grant Maximisation		-0.400	Allocation of revenue grants within ASC re-aligned to stabilise external commissioned care budget.
	Supported Living Risk Share Project		-0.300	Forecasted to yield 100% of targeted saving for the risk-share project with SL provider
	Impower Transformation		-0.842	Part year forecast savings linked to transformation work
	Further use of Earmarked Reserves		-0.450	Remaining reserves utilised
	<b>REVISED FORECAST VARIANCE</b>		<b>4.703</b>	

# Adults and Health Committee

## 3. Corporate Grants Register

- 3.1 Cheshire East Council receives two main types of Government grants; specific purpose grants and general use grants. Specific purpose grants are held within the relevant service with a corresponding expenditure budget. Whereas general use grants are held in central budgets with a corresponding expenditure budget within the allocated service area.
- 3.2 Spending in relation to specific purpose grants must be in line with the purpose for which it is provided.
- 3.3 The increase in specific purpose grants relates to the Market Sustainability and Fair Cost of Care Fund – Workforce Element grant.
- 3.4 **Table 1** provides a detailed listing of all Adults & Health related grants, their movements between the reporting period and the treatment of the grant.
- 3.5 **Table 2** shows additional specific purpose grant allocations that have been received over £1m that Council will be asked to approve.





**Table 1 – Corporate Grants Register**

Grants 2023/24	Original Budget	Revised Forecast FR1	Revised Forecast Mid-Year	Change from FR1	Treatment of Grant
	2023/24 £000	2023/24 £000	2023/24 £000	2023/24 £000	
<b>ADULTS &amp; HEALTH</b>					
<b>Specific Purpose (Held within Services)</b>					
Additional Better Care (for Adult Social Care)	8,706	8,706	8,706	0	
Market Sustainability and Fair Cost of Care Fund	979	979	979	0	
Market Sustainability and Fair Cost of Care Fund - top-up	2,400	2,418	2,418	0	
Market Sustainability and Fair Cost of Care Fund - Workforce Element	0	0	2,206	2,206	SRE
Trailblazer support funding - brought-forward	0	300	300	0	
Discharge Fund	1,200	1,221	1,221	0	
Multiply - Supported Employment	0	536	536	0	
Supported Internship Grant	29	29	29	0	
Asylum Dispersal Scheme	0	482	482	0	
Afghan - Wrap Around support - brought-forward	910	910	910	0	
Afghan - Resettlement support - brought-forward	288	288	288	0	
Afghan - Flexible Housing Funding	0	426	426	0	
Afghan - Integration Support	0	1,231	1,231	0	
Afghan - Homelessness Funding	0	128	128	0	
Afghan - Homeless Wrap Around Funding	0	306	306	0	
Afghan - Caseworker Tariff	0	36	36	0	
Homes for Ukraine Scheme - brought-forward	0	2,214	2,214	0	
Homes for Ukraine Scheme	0	236	236	0	
Private Finance Initiative (PFI) credits	4,125	4,125	4,125	0	
Journey First and Parents First (originally provided by the European Social Fund but now DWP)	0	350	350	0	
<b>Total Adults &amp; Health - Adult, Health &amp; Integration - Specific Purpose</b>	<b>18,637</b>	<b>24,920</b>	<b>27,126</b>	<b>2,206</b>	

*Notes 2 - 5*

Grants 2023/24	Original Budget	Revised Forecast FR1	Revised Forecast Mid-Year	Change from FR1	Treatment of Grant
	2023/24 £000	2023/24 £000	2023/24 £000	2023/24 £000	Notes 2 - 5
<b>ADULTS &amp; HEALTH</b>					
<b>Specific Purpose (Held within Services)</b>					
Public Health Grant	17,405	17,972	17,972	0	
CHAMPS TTCE contact tracer staff - ICT Workforce: Contract Extension Funding	0	0	0	0	
COVID-19 COMF & T&T - brought-forward	0	527	527	0	
CHAMPS Health Protection / COVID-19 Recovery Funding	0	27	27	0	
OHID SSMTR Supplementary Substance Misuse Treatment & Recovery Grant	353	354	354	0	
North West Probation Service funding for SMS rehabilitative and resettlement interventions	114	114	114	0	
CHAMPS Marmot Place Funding - encourage pregnant women to stop smoking - brought-forward	0	22	22	0	
CHAMPS SMS - inpatient detox	46	46	46	0	
CHAMPS Mouth Care Matters programme - to be confirmed	0	0	0	0	
PHE grant for HIV pre-exposure prophylaxis (PrEP) drug	0	0	0	0	
<b>Total Adults &amp; Health - Public Health - Specific Purpose</b>	<b>17,918</b>	<b>19,060</b>	<b>19,060</b>	<b>0</b>	
<b>General Use (Held Corporately)</b>					
Social Care Support Grant	12,426	12,426	12,426	0	
Local Reform & Community Voices	207	207	207	0	
Social Care in Prisons	73	73	73	0	
War Pension Scheme Disregard	60	60	60	0	
<b>Total Adults &amp; Health - Public Health - General Use</b>	<b>12,766</b>	<b>12,766</b>	<b>12,766</b>	<b>0</b>	
<b>TOTAL ADULTS &amp; HEALTH</b>	<b>49,321</b>	<b>56,746</b>	<b>58,952</b>	<b>2,206</b>	

## Table 2 – COUNCIL DECISION

Note that Council will be asked to Approve Supplementary Revenue Estimates of Additional Grant Funding (Specific Purpose) over £1m

Committee	Year	Type of Grant	£000	Details
Adults and Health	2023/24	Market Sustainability and Fair Cost of Care Fund - Workforce Element  (Specific Purpose)	2,206	This grant is from the Department of Health and Social Care (DHSC). The government is providing a further £570 million of ringfenced funding across financial years 2023 to 2024 and 2024 to 2025 to local authorities to improve and increase adult social care provision, with a particular focus on workforce pay. We expect this additional funding to support more workforce and capacity within the adult social care sector. This will help to ensure that appropriate short-term and intermediate care is available to reduce avoidable admissions and support discharge of patients from hospital when they are medically fit to leave.
<b>Total Specific Purpose Allocation for Council Approval</b>			<b>2,206</b>	

# Adults and Health Committee

## 4. Debt Management

	Outstanding Debt £000			Over 6 months old £000		
	Jun-23	Sep-23	Increase / (Decrease)	Jun-23	Sep-23	Increase / (Decrease)
<b>Adults and Health Committee</b>						
Adults, Public Health and Communities	12,123	11,999	(124)	7,051	7,516	465

Note: The decrease in outstanding debt is mainly due to two local authority invoices which totalled £463,000 now being paid, these invoices were 1-3 months overdue at the end of June. The increase in debt over 6 months old is due to a large quantity of low value invoices now falling into 6-9 months overdue.

# Adults and Health Committee

## 5. Capital Strategy

Adults & Health								CAPITAL					
CAPITAL PROGRAMME 2023/24 - 2026/27													
Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding £000
	Total Approved Budget £000	Prior Years £000	Forecast Budget 2023/24 £000	Forecast Budget 2024/25 £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Total Forecast Budget 2023-27 £000	Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
<b>Committed Schemes in progress</b>													
<b>Adults Services</b>													
Electronic Call Monitoring System	389	0	0	389	0	0	389	0	0	389	0	0	389
People Planner System	94	41	13	40	0	0	53	53	0	0	0	0	53
Replacement Care4CE Devices	93	65	8	20	0	0	28	28	0	0	0	0	28
<b>Total Committed Schemes</b>	<b>576</b>	<b>106</b>	<b>21</b>	<b>449</b>	<b>0</b>	<b>0</b>	<b>470</b>	<b>81</b>	<b>0</b>	<b>389</b>	<b>0</b>	<b>0</b>	<b>470</b>
<b>Total Adults and Health Schemes</b>	<b>576</b>	<b>106</b>	<b>21</b>	<b>449</b>	<b>0</b>	<b>0</b>	<b>470</b>	<b>81</b>	<b>0</b>	<b>389</b>	<b>0</b>	<b>0</b>	<b>470</b>

# Adults and Health Committee

## 6. Reserves Strategy

### Adults and Health Committee

Name of Reserve	Opening Balance 1 April 2023 £000	Forecast Movement in Reserves 2023/24 £000	Forecast Closing Balance 31 March 2024 £000	Notes
<b><u>Adult Social Care Operations</u></b>				
Adults Directorate	1,020	(1,020)	0	To support a number of widespread projects within the Adults and Health Directorate.
DOL's Assessments	125	(125)	0	Reserve will be exhausted by September 2023, creating an underlying staff budget pressure within the revenue budget.
<b><u>Adults Social Care Commissioning</u></b>				
PFI Equalisation - Extra Care Housing	2,795	0	2,795	Surplus grant set aside to meet future payments on existing PFI contract which commenced in January 2009, and the anticipated gap at the end of the agreement.
NHB Community Grants Staffing	132	(132)	0	Initially to support administrative staffing costs in relation to Central Government's New Homes Bonus guidance for community projects. NHB grant scheme has since ended and the reserve no longer required for this use – potential to return to support Council's overall position.
<b><u>Public Health</u></b>				
Public Health Reserve	3,010	(827)	2,183	Ring-fenced underspend to be invested in areas to improve performance against key targets. Including the creation of an Innovation Fund to support partners to deliver initiatives that tackle key health issues. Anticipated that the carry forward ringfenced grant will be spent across 2022/23 to 2025/26.
<b>ADULTS AND HEALTH TOTAL</b>	<b>7,082</b>	<b>(2,104)</b>	<b>4,978</b>	