

Adult and Wellbeing Health Overview and Scrutiny Committee

1 October 2024

Revenue and Capital Outturn 2023/24



Report of Corporate Directors

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Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 To provide the Committee with details of the 2023/24 revenue and capital outturn budget position for the Adult and Health Services (AHS) service grouping, highlighting major variances in comparison with the budget for the year.

Executive Summary

- 2 This report provides an overview of the 2023/24 revenue and capital outturn position. It provides an analysis of the budget outturn for the service areas falling under the remit of the Overview and Scrutiny Committee and complements reports considered by Cabinet on a quarterly basis.
- 3 The outturn shows that AHS has a cash limit underspend of £0.786 million at the year-end against a revenue budget of £158.090 million, which represents a 0.5% underspend. This compares with the previously forecast cash limit underspend, based on the position at 31 December 2023 of a £0.464 million cash limit underspend.
- 4 Based on the outturn position the Cash Limit balance for AHS as at 31 March 2024 is £5.832 million.
- 5 Details of the reasons for under and overspending against relevant budget heads is disclosed in the report.

- 6 The AHS revised capital budget for 2023/24 comprised three schemes within Adult Care totalling £1.830 million. Capital expenditure of £1.830 million was incurred during 2023/24.

Recommendation

- 7 It is recommended that the Adults Wellbeing and Health Overview and Scrutiny Committee note the financial position included in this report.

Background

8 County Council approved the Revenue and Capital budgets for 2023/24 at its meeting on 22 February 2023. These budgets have subsequently been revised to take account of transfers to and from reserves, grant additions/reductions, budget transfers between service groupings and budget reprofiling between years. This report covers the financial position for:

- *AHS Revenue Budget - £158.090 million (original £156.296 million)*
- *AHS Capital Programme – £1.830 million (original £2.045 million)*

9 The original AHS revenue budget has been revised to incorporate a number of budget adjustments as summarised in the table below:

Reason for Adjustment	£'000
Original Budget	156,296
Budget Transfer to CYPS	(157)
Budget Transfer to Resources	(26)
Budget Transfer to Chief Executive Office	(99)
Pay Award 2023/24	2,076
Revised Budget	158,090

10 The original AHS revenue budget includes a number of budgeted use of reserves as summarised in the table below:

Budgeted Use of Reserves in Original Budget	£'000
Use of cash limit reserve at budget build	(699)
Use of Social Care Reserve at budget build	(523)
Use of Integrated Reserve at budget build	(677)
Use of Public Health reserves at Budget Build	(872)
Total	(2,771)

11 The summary financial statements contained in the report cover the financial year 2023/24 and show: -

- The approved annual budget;
- The actual income and expenditure as recorded in the Council's financial management system;
- The variance between the annual budget and the forecast outturn;
- For the AHS revenue budget, adjustments for items outside of the cash limit to take into account such items as redundancies met from

the strategic reserve, capital charges not controlled by services and use of / or contributions to earmarked reserves.

Revenue Outturn

- 12 The AHS service has a cash limit underspend of £0.786 million against a revised budget of £158.090 million which represents a 0.5% underspend. This compares with the forecast cash limit underspend at Quarter 3 of £0.464 million.
- 13 The tables below show the revised annual budget, actual expenditure in 2023/24 and the year end variance. The first table is analysed by Subjective Analysis (i.e. type of expense) and the second is by Head of Service.

Subjective Analysis (Type of Expenditure)

	Revised Annual Budget £000	Actual £000	Variance £000	Items Outside Cash Limit £000	Cash Limit Variance £000	Memo-Forecast Position at QTR3 £000
Employees	42,267	41,131	(1,136)	68	(1,068)	(1,069)
Premises	1,305	1,642	337	(151)	186	92
Transport	2,642	2,328	(314)	0	(314)	(177)
Supplies & Services	4,608	6,963	2,355	0	2,355	746
Third Party Payments	359,361	363,977	4,616	0	4,616	7,765
Transfer Payments	12,208	12,225	17	0	17	(68)
Central Support & Capital	36,296	43,729	7,433	2,689	10,122	(2,600)
Income	(300,597)	(317,297)	(16,700)	0	(16,700)	(5,153)
Total	158,090	154,698	(3,392)	2,606	(786)	(464)

Analysis by Head of Service Area

	Revised Annual Budget £000	Actual £000	Variance £000	Items Outside Cash Limit £000	Cash Limit Variance £000	Memo-Forecast Position at QTR3 £000
Excluded Services	132	172	40	(40)	0	0
Central/Other	10,847	8,801	(2,046)	2,229	183	41
Commissioning	336	712	376	(402)	(26)	(54)
Head of Adults	145,523	144,534	(989)	46	(943)	(451)
Public Health	1,252	479	(773)	773	0	0
Total	158,090	154,698	(3,392)	2,606	(786)	(464)

- 14 The table below provides a brief commentary of the outturn cash limit variances against the revised budget, analysed by Head of Service. The table identifies variances in the core budget only and excludes items outside of the cash limit (e.g. central repairs and maintenance) and technical accounting adjustments (e.g. central admin recharges and capital charges):

Service Area	Description	Cash limit Variance £000
Head of Adults		
Ops Manager LD /MH / Substance Misuse	£782,000 under budget on employees due to staff turnover above budget. £53,000 over budget on premises. £40,000 under budget on transport. £49,000 over budget on supplies and services. £2,475,000 net over budget on direct care related activity.	1,755
Safeguarding Adults and Practice Development	£172,000 under budget on employees due to staff turnover above budget. £8,000 under budget on transport. £346,000 net over budget on supplies and services, transport, and central costs principally due to an authorised overspend on DOLS £322,000. £9,000 over recovery of income.	157
Ops Manager OP/PDSI Services	£319,000 under budget on employees due to staff turnover above budget. £230,000 under budget on transport. £121,000 over budget on supplies and services. £2,107,000 net under budget on direct care-related activity.	(2,535)
Ops Manager Provider Services	£339,000 under budget on employees due to staff turnover above budget. £78,000 net over budget on other areas.	(261)
Operational Support	£39,000 under budget on employees due to staff turnover above vacancies. £7,000 under budget on transport and supplies and services. £13,000 over recovery of income.	(59)
		(943)
Central/Other		
Central/ Other	£183,000 net over budget across the service principally due to PPE write-off (personal protective equipment).	183
		183
Commissioning		
Commissioning	£37,000 under budget on employees due to staff turnover less than budget. £11,000 over budget on supplies and services.	(26)

Service Area	Description	Cash limit Variance £000
		(26)
Public Health		
County Durham Together	Plans not yet in place for budget.	(65)
Protecting Health	Under budget on additional budget as plans no in place yet £81,000. Offset by over budget due to reserve not being drawn for Infection Control contract £67,000 plus Agenda for Change linked to Infection Control £8,000 and over budget linked to Vaccine Inequalities funding held in Grant Reduction Reserve £13,000.	7
General Prevention Activities	Underbudget linked to pharmacy contract for flu immunisation.	(28)
Healthy Communities Strategy and Assurance	Under budget on water fluoridation £67,000 and £10,000 additional income from the ICB linked to Joining the Dots. Offset by £29,000 over budget not drawn from reserves.	(48)
Living and Ageing Well	Under budget on Health Checks contract £52,000. IPD grant used to fund £16,000. Under budget on prescription charges £78,000. Over budget of £290,000 to cover reserve expenditure. Overbudget on NRT £115,000, additional laptops £18,000, supervised consumption £33,000 and general over budget on DARS £34,000.	344
Public Health Grant and Reserves	Amount to balance the cash limit variance (£1,415,000) to Grant Reduction Reserve. Unallocated budget of £1,580,000.	(165)
Public Health Team	£360,000 under budget on staffing – vacant posts within the Public Health Team and associated costs. Offset by expenditure of £29,000 not drawn from reserves.	(331)
Starting Well and Social Determinants	Under budget on sexual health contract £41,000. Underbudget on children's contracts £130,000. Underbudget on remain safe contribution £30,000. Over budget on projects linked to reserve expenditure £541,000. General under budget £54,000.	286
		0
AHS Total		(786)

15 The service grouping has maintained spending within its cash limit. The outturn position incorporates the MTFP savings built into the 2023/24 budgets, which for AHS in total amounted to £1.775 million.

16 The cash limit reserve for Adult and Health Services is £5.832 million after incorporating the 2023/24 outturn and transfers to other earmarked reserves.

Capital Programme

- 17 The AHS capital programme comprises three schemes, the upgrade of Hawthorn House respite centre, the development of complex needs provision at Harelaw and the development of Positive Journeys at Chester le Street.
- 18 The revised capital budget at 31 March 2024 is £1.830 million.
- 19 Summary financial performance at 31 March 2024 is shown below.

Scheme	Actual Expenditure 31/03/2024 £000	Revised 2023-24 Budget £000	(Under) / Over Spending £000
Hawthorn House Development	635	635	0
Whitebeam Gardens (formerly Harelaw)	523	523	0
Positive Journeys Chester le Street	672	672	0
	1,830	1,830	0

Background Papers

- 20 Cabinet Reports 10 July 2024 – 2023/24 Final Outturn for the General and Collection Fund.

Appendix 1: Implications

Legal Implications

The consideration of regular budgetary control reports is a key component of the Council's Corporate and Financial Governance arrangements. This report shows the forecast spend against budgets agreed by the Council in February 2023 in relation to the 2023/24 financial year.

Finance

Financial implications are detailed throughout the report which provides an analysis of the revenue and capital outturn position alongside details of balance sheet items such as earmarked reserves held by the service grouping to support its priorities.

Consultation

Not applicable.

Equality and Diversity / Public Sector Equality Duty

Not applicable.

Human Rights

Not applicable.

Crime and Disorder

Not applicable.

Staffing

Not applicable.

Accommodation

Not applicable.

Risk

The consideration of regular budgetary control reports is a key component of the Councils Corporate and Financial Governance arrangements.

Procurement

The outcome of procurement activity is factored into the financial projections included in the report.