

# Adult Wellbeing and Health Overview and Scrutiny Committee

1 October 2024



## Quarter 1: Forecast of Revenue and Capital Outturn 2024/25

### Report of Corporate Directors

**Paul Darby, Corporate Director of Resources**

**Jane Robinson, Corporate Director of Adult and Health Services**

**Electoral division(s) affected:**  
Countywide

### Purpose of the Report

- 1 To provide the Committee with details of the forecast outturn budget position for the Adult and Health Services (AHS) service grouping, highlighting major variances in comparison with the budget for the year, based on the position to the end of June 2024.

### Executive Summary

- 2 This report provides an overview of the forecast of outturn, based on the position to 30 June 2024. It provides an analysis of the forecast 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 forecast indicates that AHS will have a cash limit underspend of £1.828 million at the year-end against a revenue budget of £159.463 million, which represents a 1.15% underspend.
- 4 Based on the forecasts, the Cash Limit balance for AHS as at 31 March 2025 will be £6.803 million.
- 5 Details of the reasons for under and overspending against relevant budget heads is disclosed in the report.
- 6 The AHS capital budget for 2024/25 comprises two schemes within Adult Care totalling £0.740 million. As at 30 June 2024 capital expenditure of £0.309 million has been incurred.

## **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 2024/25 at its meeting on 28 February 2024. 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 - £159.463 million (original £160.100 million)*
- *AHS Capital Programme – £0.740 million (original £0.740 million)*

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

<b>Reason for Adjustment</b>	<b>£'000</b>
Original Budget	160,100
Budget Transfer to CEO – Systems and Data Team	(637)
<b>Revised Budget</b>	<b>159,463</b>

10 The summary financial statements contained in the report cover the financial year 2024/25 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

- 11 The updated forecasts show that the AHS service is reporting a cash limit underspend of £1.828 million against a budget of £159.463 million which represents a 1.15% underspend.
- 12 The tables below show the revised annual budget, actual expenditure to 30 June 2024 and the updated forecast of outturn to the year end, including the variance forecast at year end. 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	YTD Actual £000	Forecast Outturn £000	Items Outside Cash Limit £000	Cash Limit Variance QTR1 £000
Employees	42,203	10,857	41,933	0	(270)
Premises	1,561	151	1,440	31	(90)
Transport	2,640	426	2,456	0	(184)
Supplies & Services	4,279	2,080	4,628	0	349
Third Party Payments	386,823	68,531	387,770	0	947
Transfer Payments	12,251	1,977	12,821	0	570
Central Support & Capital	31,626	19,794	32,030	(2,051)	(1,647)
Income	(321,920)	(78,118)	(323,423)	0	(1,503)
<b>Total</b>	<b>159,463</b>	<b>25,698</b>	<b>159,655</b>	<b>(2,020)</b>	<b>(1,828)</b>

### Analysis by Head of Service Area

	Revised Annual Budget £000	YTD Actual £000	Forecast Outturn £000	Items Outside Cash Limit £000	Cash Limit Variance QTR1 £000
Excluded Services	128	209	128	0	0
Central/Other	(1,979)	(2,182)	(1,908)	(70)	1
Commissioning	342	(1,188)	769	(443)	(16)
Head of Adults	160,926	23,568	159,447	(334)	(1,813)
Public Health	46	5,291	1,219	(1,173)	0
<b>Total</b>	<b>159,463</b>	<b>25,698</b>	<b>159,655</b>	<b>(2,020)</b>	<b>(1,828)</b>

- 13 The table below provides a brief commentary of the forecast 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
<b>Head of Adults</b>		
Ops Manager LD /MH / Substance Misuse	£144,000 under budget on employees due to staff turnover above budget. £74,000 under budget on premises. £57,000 over budget on transport and supplies and services. £1,692,000 net over budget on direct care related activity.	1,531
Safeguarding Adults and Practice Development	£63,000 under budget on employees due to staff turnover above budget. £3,000 under budget on transport. £3,000 over budget on supplies and recharges.	(63)
Ops Manager OP/PDSI Services	£177,000 under budget on employees due to staff turnover above budget. £189,000 under budget on transport. £115,000 over budget on supplies and services. £2,762,000 net under budget on direct care-related activity.	(3,013)
Ops Manager Provider Services	£291,000 under budget on employees due to staff turnover above budget. £18,000 net over budget on transport, premises, supplies & services.	(273)
Operational Support	£5,000 over budget on employee costs due to staff turnover budget not met.	5
		<b>(1,813)</b>
<b>Central/Other</b>		
Central/ Other	No material variances.	1
		<b>1</b>
<b>Commissioning</b>		
Commissioning	£10,000 under budget on employees due to staff turnover less than budget. £6,000 under budget on supplies and services.	(16)
		<b>(16)</b>

Service Area	Description	Cash limit Variance £000
<b>Public Health</b>		
Pharmacy	£27,000 under budget linked to flu immunisation.	(27)
Team 1 – including Tobacco, 0-25 Healthy Child	£170,000 over budget linked to Nicotine Replacement. £343,000 underbudget on budgets linked to future Agenda for Change costs and CYPS contracts (full year budget covering partial year increase).	(173)
Team 2 – including Health Protection, Sexual Health, Oral Health	£403,000 under budget linked to future Agenda for Change costs and additional budget for Integrated Sexual Health Service. £75,000 under budget on “Protecting Health”.	(478)
Team 3 – including Drugs & Alcohol, Domestic Abuse, Wellbeing for Life	£16,000 under budget on In Patient Detox, £5,000 under budget on Nalaxone and £30,000 under budget on Remain Safe all funded from Grant. £75,000 under budget against prescription charges.	(126)
Team 4 including Healthy Weight, Physical Activity, Workplace Health	£3,000 under budget against CREES.	(3)
Team 5 including Mental Health, County Durham Together	£21,000 under budget against County Durham Together.	(21)
Public Health Team	£20,000 under budget on staffing – vacant posts within the Public Health Team. £40,000 fortuitous income from the ICB towards suicide coordinator post. £888,000 transfer to Grant Reduction Reserve for future Public Health projects.	828
		<b>0</b>
<b>AHS Total</b>		<b>(1,828)</b>

14 The service grouping is on track to maintain spending within its cash limit. The forecast outturn position incorporates the MTFP savings built into the 2024/25 budgets, which for AHS in total amounted to £1.029 million.

15 The cash limit reserve for Adult and Health Services is forecast to be circa £6.803 million after incorporating the 2024/25 forecast and transfers to other earmarked reserves.

### Capital Programme

16 The AHS capital programme comprises two schemes, the upgrade of Hawthorn House respite centre and the development of Positive Journeys at Chester le Steet.

17 Further reports will be taken to MOWG during the year where revisions to the AHS capital programme are required. The capital budget currently totals £0.740 million.

18 Summary financial performance to 30 June 2024 is shown below.

<b>Scheme</b>	<b>Actual Expenditure 30/06/2024 £000</b>	<b>Revised 2024-25 Budget £000</b>	<b>(Under) / Over Spending £000</b>
Hawthorn House Development	268	714	(446)
Positive Journeys Chester le Street	41	26	15
	<b>309</b>	<b>740</b>	<b>(431)</b>

19 Officers continue to carefully monitor capital expenditure on a monthly basis. There has been limited expenditure incurred to date. At year end the actual outturn performance will be compared against the revised budgets, and service and project managers will need to account for any budget variance.

### **Background Papers**

20 Cabinet Report 18 September 2024 – Forecast Revenue and Capital Outturn 2024/25 – Period June 2024.

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## **Appendix 1: Implications**

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### **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 2024 in relation to the 2024/25 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.