



**Open Report on behalf of Glen Garrod,
Executive Director - Adult Care and Community Wellbeing**

Report to:	Adults and Community Wellbeing Scrutiny Committee
Date:	19 October 2022
Subject:	ACCW Budget Monitoring 2022-23

Summary:

The Adult Care and Community Wellbeing (ACCW) budget for 2022-23 is £255.308m net. As of 30 September 2022, ACCW is forecasting a year end spend of £254.798m, a forecast underspend of £0.510m.

Actions Required:

The Adult Care and Community Wellbeing Scrutiny Committee is asked to note financial performance and the financial drivers.

1. Background

Adult Care and Community Wellbeing (ACCW) continues to operate its Medium-Term Financial Plan (MTFP) which underpins the wider Council's. The MTFP brings together the revenue and capital resources available to support the forecast activity for each of the services and forecasts forward to 31 March 2027. Through its MTFP, ACCW can prioritise its resources and enable teams to take action as early as possible to build upon financial opportunities and minimise financial risk.

The table below shows the forecast position for 2022-23 for each of the areas within ACCW based on the financial performance through to 30 September 2022.

Delivery Strategy	Annual Budget (£m)	Projected Outturn (£m)	Over/(Under)Spend (£m)
Adult Frailty & Long-Term Conditions	124.345	124.186	(0.159)
Specialist Adult Services & Safeguarding	94.106	94.106	0.000
Public Health & Community Wellbeing	31.788	31.437	(0.351)
Public Protection	5.069	5.069	0.000
Sub Total	255.308	254.798	(0.510)
Better Care Fund Grant	-54.336	-54.336	0.000
Public Health Grant	-34.847	-34.847	0.000
Total	166.125	165.615	(0.510)

1.1 Adult Frailty and Long-Term Conditions (AF<C)

Adult Frailty and Long-Term Conditions delivers services to both older people and adults with physical disabilities as well as hosting the Directorate budgets for back-office functions. The financial areas of focus are -

- Interim beds. During Covid-19, Lincolnshire saw an increase in usage of interim beds resulting from increased demand from hospitals and community capacity challenges. 2022-23 budget was built based on a 20% reduction in cost. Performance during the early stages of the year highlight delivery of the reduced usage. This area of spend will continue to be monitored as we head into the 'winter' months when we usually experience heightened demand.
- Residential care. Aligned to the strategic vision of maximising people's independence, the 2022-23 budget included the assumption of a continued 1% reduction in residential care. Performance during the early stages of the year again highlight delivery of a shift away from residential care for older people.
- Debt review. ACCW has had a Debt Review Programme in operation for the last 12-18mths with AF<C impacted the most as carrying the majority of ACCW debt. As of 31 July 2022 95% of the debt has been reviewed, with more than £2.2m paid. The priority is to strengthen those processes highlighted during the review which will support a reduction in the debt levels and move to embed the new ways of working as we enter 2023-24.

1.2 Specialist Adult Services and Safeguarding

Specialist Adult Services & Safeguarding budgets support delivery of services for adults with learning disabilities, autism and/or mental health needs. The financial areas of focus are -

- Continued growth in demand for mental health care coupled with increases in unit cost of care. £1.1m of non-recurrent reserves are supporting the reported position. To minimise future financial impact of demand growth and better share risk, the exploration of a pooled budget across organisations continues to be the focus with it currently operating in shadow form as operational policy and practice is aligned.

1.3 Public Health and Community Wellbeing

The financial allocation of this delivery strategy supports delivery of Adults Public Health services funded by the Public Health Grant and Adult Wellbeing Services. Wellbeing includes community equipment, the wellbeing service and housing related support. Children's public health expenditure is reported within the Children's Directorate. The financial area of focus are -

- Community Equipment Service. This is a service which is expected to grow as services work to support more people in the community where it is appropriate and safe to do so. Service developments appropriately driving £0.384m increase in demand include 'Enabling Independence' which is designed to better equip people in receipt of homecare and reduce the number of double handed visits needed. The initiatives are an invest to save with the funding transferring into the equipment budget.

1.4 Public Health Grant

The 2022-23 Public Health Grant is £34.837m, a £0.952m increase. This grant supports adults and children's services. The 2022-23 increase has funded those services that have previously been supported by non-recurrent funding or by council funding. It is the latter that is driving the underspend in the Public Health budgets.

1.5 Public Protection

Public Protection services have transferred into the Directorate during 2022-23, ACCW MTFP now also comprises community safety, trading standards, registration and coroners' services and emergency planning. The financial areas of focus are -

- Registration services. Over the coming months, the service is rolling out its system of on-line bookings which will deliver the financial benefits contained within the Council's transformation programme.

1.6 Better Care Fund

The Lincolnshire Better Care Fund (BCF) is an agreement between the Council and Lincolnshire CCG and is overseen by the Health and Wellbeing Board. The BCF pools funds from the organisations to aid the objective of integrated service provision.

The 2022-23 Better Care Fund Policy Framework was published in July 2022. Based upon the headlines in the Policy Framework we are expecting a Better Care Fund value for Lincolnshire of approx. £279.5m for 2022-23.

The table below shows the forecast spend across the fund for 2022-23.

BCF Summary by Service Provided	2022-23
Learning Disabilities	87.801
Adult Mental Health Services	90.454
Social Care workforce	22.805
Social care provider market	21.910
Intermediate Care	13.028
Child & Adolescent Mental Health Services	13.028
Proactive Care	10.302
Disabled Facilities Grant	6.976

Integrated Community Equipment	6.577
Adult Social Care Needs including seasonal winter pressures	3.489
Transitional Beds	2.750
Integrated Staffing	0.205
Surge Capacity	0.169
Total	279.495

1.7 Homes for Ukraine Scheme

The Homes for Ukraine scheme was launched on 14 March 2022. The scheme provides financial support to Ukraine nationals who are being sponsored to come to the UK. The government is providing funding at a rate of £10,500 per person to councils to enable them to provide support to families to rebuild their lives and fully integrate into communities. The government is also providing funding for councils to administer the optional ‘thank you’ payments at the £350 per sponsoring household per month rate. ACCW is administering the grant across the council, the districts and organisations supporting the families arriving. Lincolnshire received £4.720m for quarter one relating to 443 guests supported by 196 sponsor families. Forecast costs for the year total £4.357m. With over 948 guests now arrived in Lincolnshire, we are forecasting a doubling of the income for the second quarter.

1.8 Covid-19

ACCW carried forward £4.558m of covid-19 grant funding into 2022-23. Whilst the government published its plan to live with Covid-19 in April 2022, we continue to see financial consequences of the pandemic. It is these consequences that the funding we have carried forward into 2022-23 will continue to support. We are forecasting to utilise all of the funding carried forward within the financial year.

1.9 Capital

Following the completion of DeWint Court Lincoln, the final contribution has been paid. In addition, the council has received funding towards the digital roadmap. These changes provide a capital balance of £11.965m. This balance has been allocated to further support the housing agenda across Lincoln (£10.2m), investment in day centres (£1.46m) and progressing the digital roadmap (£0.260m) and smaller projects within Public Protection.

2. Conclusion

ACCW is forecasting financial balance within 2022-23 however the Directorate is reliant on the drawdown of non-recurrent reserves to deliver this.

The Medium-Term Financial Plan is forecasting increased pressures of approx. £11m per year from 2023-24. This forecast is driven by the forecast increase in national living wage and forecast growth in demand across working age adult services. This forecast is before any new funding announcements both locally and nationally for 2023-24 onwards.

3. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Pam Clipson, Head of Finance – Adult Social Care and Wellbeing, who can be contacted on 07775 003614 or via email at pam.clipson@lincolnshire.gov.uk.

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