

**Social Care and Health  
Overview and Scrutiny Committee**

**7 December 2023**

**Draft Revenue Budget and Draft Capital Programme 2024/25 – 2027/28**

**Ward(s)** All

**Portfolios:** Cllr K Pedley – Adult Social Care  
Cllr G Flint – Wellbeing, Leisure, and Public Spaces

**Executive Summary:**

The draft budget, as reported to Cabinet on 18 October 2023, includes the latest medium term financial outlook (MTFO) for the four-year period from 2024/25 to 2027/28. It also outlines the draft revenue budget for 2024/25 to 2027/28 (including savings proposals identified to date for consultation), the draft capital programme for 2024/25 to 2027/28, and sets out the process and timescale for setting a legally balanced budget for 2024/25.

Our MTFO has been updated for all known pressures, including best professional assumptions around the cost-of-living impact, and that on rising demand on our services. Due to the size and breadth of cost pressures, this has had a significant impact on the assumptions in relation to the 2024/25 budget, with additional growth now required of c£57.69m, resulting in a budget gap of c£18.06m.

The Council is legally obliged to set a one-year balanced budget (2024/25), however a medium-term approach is beneficial to allow for sound financial planning and to support future financial stability. The proposals set out in this report do not yet balance the budget for 2024/25, so there will be a requirement to report back on changes and options to close the gap at the next meeting of Cabinet on 13 December 2023. All draft proposals are subject to changes arising from the Autumn Statement due on 22 November 2023, and a provisional settlement yet to be received (anticipated mid December). A number of savings proposals are also included for 2025/26 to 2027/28, with further options being identified to allow for a balanced budget over the period 2025/26 to 2027/28 aligned to the Council Plan and Proud activity.

The 2024/25 draft budget assumes a 2.99% general council tax increase and a further 2% precept for Adult Social Care in line with current referendum assumptions, with a 1.99% per annum increase thereafter. This is expected to be confirmed when we receive our draft 2024/25 settlement in December 2023.

The draft capital programme for 2024/25 totals £132.08m. It sets out capital investment funded from the council's own resources of £75.23m (funded by capital receipts and borrowing) and externally funded schemes of £56.85m (funded by capital grants) and represents a balanced programme for 2024/25. In addition, the report sets out a further three years of indicative proposals to 2027/28. Despite reductions in capital funding in recent years and going forward, the draft capital programme contains significant investment into regeneration initiatives, highways, education, and into adult and children's social care and housing to support vulnerable households through Health through Warmth and provision of aids and adaptations.

This report provides an extract of the Proud draft revenue savings proposals and investments/cost pressures for 2024/25 – 2027/28 by Proud Outcomes identified to date, which fall within the remit of the Social Care and Health Overview and Scrutiny Committee for consideration. It also provides a summary of the draft capital programme for schemes within the remit of this Committee.

Feedback from the Committee on the draft revenue and capital proposals to date will be reported back to Cabinet on 13 December 2023 for consideration.

The revenue proposals set out in the report to Cabinet on 18 October 2023 do not yet balance the budget for 2024/25, so there will be a requirement to report back on changes and options to close the remaining c£18m gap at the next meeting of Cabinet on 13 December 2023, and subsequent report to this committee should any changes relate to services within the remit of this committee.

The final draft budget will be considered by Cabinet on 7 February 2024 for recommendation to Council on 22 February 2024. Any changes to draft revenue and capital budget proposals as a result of equality impact assessments and consultation will also be fed into the final budget report.

### **Reason for scrutiny:**

To enable consultation of the draft revenue and capital budget proposals for services within the remit of this Committee.

### **Recommendations:**

#### **That:**

1. The Committee are recommended to consider the draft revenue budget proposals to date as attached that relate to the remit of this committee as shown in **Appendices 1 and 2**, and that feedback will be presented to Cabinet on 13 December 2023.
2. The Committee note that the revenue budget for 2024/25 is currently not balanced, with a gap of c£18m, and therefore a further report may be required to this committee if any changes to draft proposals outlined relate to services within the committee's remit.
3. The Committee are recommended to consider the draft capital schemes included in the draft capital programme attached that relate to the remit of this committee as shown in **Appendices 3 and 4**, and that feedback will be presented to Cabinet on 13 December 2023.

### **Background papers:**

Various financial working papers.

### **Resource and legal considerations:**

Cabinet on 18 October 2023 were presented with a list of draft Proud revenue savings proposals for consultation and a list of investment/cost pressures by Proud outcome, along with a draft capital programme over the period 2024/25 to 2027/28.

The full Cabinet report can be accessed at the following link:

## [Draft Revenue Budget and Capital Programme 2024/25 to 2027/28 - Cabinet 18 October 2023](#)

### Maximising Outcomes through Budgeting 2024/25 onwards

Our approach to budget setting was established in 2020 with overall financial savings expected to be delivered via Proud activity. For 2024/25 Proud work streams will continue to provide the 'enablers' to allow Directorates to deliver through Service Transformation Plans (STP's).

Directors reviewed their STP's to identify how individual services can be transformed to generate further efficiencies, along with any short-term investment requirements to enable this to progress, linking their current and future service delivery with Council priority outcomes as per the Council Plan. This allows for identification of potential transformation activity and associated savings for future financial years. Those identified to date are outlined within the draft budget report to Cabinet on 18 October 2023, with further work in train to identify further opportunities to close the financial gap for 2024/25 and future years.

The Council Plan direction of travel approach sets out how the budget will be aligned to deliver the desired outcome i.e., through different amounts of delivery, coordination, influencing, signposting, or regulating. A review of the current delivery model will be undertaken alongside the direction of travel and re-prioritised where appropriate to maximise value for money and overall delivery of outcomes and ensuring the 2024/25 onwards budget is built and developed on this moving forward.

### Investment / cost pressures

Further to the changes in assumptions, the draft budget 2024/25 – 2027/28 includes provision for growth and investment of c£133m (£57.69m of this is in 2024/25). Those investments relating to the remit of this Committee are shown at **Appendix 1** and total £49.09m over 4 years.

### Savings proposals

The Proud service transformation plans have identified £13.58m of financial benefit for 2024/25 (including the review of the £8.10m identified in the budget report to Council in February 2023). There is also £9.37m identified for 2025/26, £7.91m for 2026/27 and £6.72m for 2027/28. Benefits / savings are classified into two categories:

1. Policy Proposals - which require an Executive decision to proceed, and which will be referred for public consultation and equality impact assessment. These total £333k in 2024/25 (£453k over the four years to 2027/28).
2. Operational Proposals – savings which officers have delegations to implement; examples include restructures, back-office savings, operational efficiencies. These total £13.25m in 2024/25 (£37.12m over the four years to 2027/28).

Some proposals require investment to support delivery. Such investment will only be allocated if the relevant saving proposal is included within Cabinet's final budget report in February, once consultation and equality impact assessment has concluded.

Savings proposals outlined in the report to Cabinet on 18 October 2023 will assist in closing the gap over the four years to 2027/28. A gap of £18.06m remains after the delivery of the £13.58m saving identified for 2024/25, with a further £14.24m saving requirement for 2025/26, £8.57m for

2026/27 and £9.36m for 2027/28. Through budget week and beyond, a number of themes were identified for prioritisation to take forward to support the 2024/25 position and also form the foundations of the medium-term financial strategy, building on the work of the Proud programme. Directors continue to work on identifying additional options for Members consideration, and further reports will be presented to Cabinet outlining further options to balance the budget for 2024/25 onwards. A work stream review of the STP's is taking place to ensure that they maximise opportunities from the Proud ways of working and capabilities, and therefore capture the full benefits; to ensure they capture innovative thinking; and to challenge any opportunities to accelerate identified savings.

Those savings proposals relating to the remit of this Committee are shown at **Appendix 2** and total £14.44m over 4 years.

### Net investment / savings

The following summarises the net investment /(savings) by Directorate for 2024/25.

<b>Net Investment/savings by Directorate 2024/25</b>	<b>Investment £m</b>	<b>Savings £m</b>	<b>Net £m</b>
Adult Social Care, Public Health and Hub	28.61	(4.59)	24.02
Children's Services	14.09	(4.14)	9.95
Children's - Customer Engagement	1.30	(0.43)	0.87
Economy, Environment and Communities	3.73	(3.06)	0.68
Resources and Transformation	0.86	(1.35)	(0.49)
Central / Capital Financing*	9.09	0.00	9.09
<b>Total Net Investments by Directorate</b>	<b>57.69</b>	<b>(13.58)</b>	<b>44.11</b>

\*Central investment includes £8.09m of pay and pension costs which will be allocated to services following a detailed review of salary budget requirements.

Therefore, when central investments are taken into account, all Directorates will see a net increase in budgets.

### Draft Capital Programme

The draft capital programme for 2024/25 is balanced and totals £132.08m. It sets out new capital investment funded from the council's own resources of £75.23m (funded by capital receipts and borrowing) and externally funded schemes of £56.85m (funded by capital grants). In addition, the report sets out a further three years of indicative proposals to 2027/28.

Those council funded schemes relating to the remit of this Committee are shown at **Appendix 3** totalling £68k over 4 years, and external funded schemes of £3.55m at **Appendix 4**.

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**Summary of New Growth and Investment 2024/25 to 2027/28 aligned to Proud Outcomes relating to the remit of this Committee.**

Directorate	Ref No	Details of Growth by outcome	2024/25 £	2025/26 £	2026/27 £	2027/28 £	Total £
<b>People are supported to maintain or improve their health, wellbeing and quality of life</b>							
Adult Social Care, Public Health & Hub	10	Social Care increase in demand pressures (inflow/attrition)	15,903,627	2,981,815	1,661,716	1,024,037	21,571,195
	11	Contract price uplift (for under 65's not covered by Fair Cost of Care)	3,992,391	2,450,079	2,517,776	2,608,130	11,568,376
	12	Adult Social Care affordability model including inflation - Housing 21	1,364,484	274,652	281,518	311,449	2,232,103
	13	Hospital discharge - fully funded from grant	1,325,436	0	0	0	1,325,436
	14	Market Sustainability and Improvement Fund	495,860	0	0	0	495,860
	15	Section 117 expenditure in Mental Health	150,063	61,967	64,446	67,024	343,500
	16	Client income – all care types	0	2,639,181	0	0	2,639,181
	17	Health income - Learning Disability Joint Funding tool	201,520	0	0	0	201,520
	18	Trix - online policy and procedures for Safeguarding	11,333	0	0	0	11,333
	19	Better Care finance system - ongoing licence costs	98,000	0	0	0	98,000
	20	Mosaic trainer post	39,000	0	0	0	39,000
	21	Additional social work capacity within Access Care Management Localities and Complex teams	353,257	298,910	0	0	652,167
	22	Co-production and consultation post	56,262	18,754	0	0	75,016
	23	Future arrangements for safeguarding	228,537	198,801	0	0	427,338
	24	Community Reablement and Technology - linked to saving OP16	644,008	644,008	0	0	1,288,016
	25	Revised Management Structure within Adult Social Care	443,069	49,230	0	0	492,299
	26	Financial Assessment and Charging Team (permanent structure)	316,952	107,327	0	0	424,279
	27	Client Money and Case Management Solution for Deputies and Appointees	20,000	0	0	0	20,000
	28	Mosaic Case Management solution development – introduction of Electronic Document Management system via Sharepoint and Access Community Gateway	47,500	0	0	0	47,500
29	Carecubed investment for contract extension	50,000	0	0	0	50,000	
Directorate	Ref	Details of Growth by outcome	2024/25 £	2025/26 £	2026/27 £	2027/28 £	Total £

<b>Adult Social Care, Public Health &amp; Hub</b>	<b>30A</b>	Public Health - Residential Detox Placements	91,300	0	0	0	91,300
	<b>30B</b>	Public Health - Pay awards/ increments	50,000	0	0	0	50,000
	<b>30C</b>	Public Health - Inflation of 0-19 Healthy Child Programme	247,440	0	0	0	247,440
	<b>30D</b>	Public Health - Drug and Alcohol contribution to Family Safeguarding	100,000	0	0	0	100,000
	<b>31</b>	Public Health grant increase	0	275,901	261,300	264,745	801,946
	<b>32</b>	Supplementary Drugs and Alcohol - fully funded from grant	462,436	(462,436)	0	0	0
	<b>33</b>	Intermediate Care Service (Increased demand and uplifts)	1,302,070	412,053	412,053	412,053	2,538,229
	<b>34</b>	Integrated Equipment Store	232,182	0	0	0	232,182
	<b>35</b>	Better Care Fund - Integrated Community Equipment Service rent/overheads, pay	232,972	229,456	229,456	229,456	921,340
	<b>36</b>	Occupational Therapists to support reviews post Intermediate Care Services discharge - linked to saving OP21	105,048	0	0	0	105,048
<b>Total People are supported to maintain or improve their health, wellbeing, and quality of life</b>			<b>28,564,747</b>	<b>10,179,698</b>	<b>5,428,265</b>	<b>4,916,894</b>	<b>49,089,604</b>
<b>Total Growth and investment relating to the remit of this Committee</b>			<b>28,564,747</b>	<b>10,179,698</b>	<b>5,428,265</b>	<b>4,916,894</b>	<b>49,089,604</b>

**Benefits Realisation (Savings) for Proud activity by Outcome 2024/25 to 2027/28 relating to the remit of this Committee.**

**A: Summary of Policy Proposals by Outcome 2024/25 – 2027/28 - None relating to the remit of this Committee**

**B: Summary of Operational Proposals by Outcome 2024/25 – 2027/28**

Directorate	Ref No	Detail of Operational Proposals by Outcome	2024/25 £	2025/26 £	2026/27 £	2027/28 £	Total £
<b>People are supported to maintain or improve their health, wellbeing, and quality of life</b>							
<b>Adult Social Care, Public Health &amp; Hubs</b>	<b>OP14</b>	Demand - Develop and deliver additional support to Carers	(270,241)	0	0	0	(270,241)
	<b>OP15</b>	Shared lives	(142,812)	0	0	0	(142,812)
	<b>OP16</b>	Community reablement service – to prevent and delay long term care and support – subject to financial modelling and linked to investment 24	(1,147,248)	(2,535,965)	(2,586,685)	(2,638,418)	(8,908,316)
	<b>OP17</b>	Market management of Learning Disability/Mental Health provider market – use of Care Cubed technology and dedicated commissioning resources to better calibrate and control the price of care provision – link to investment in commissioning capacity and requiring licence	(574,282)	(371,821)	(20,733)	(19,337)	(986,173)
	<b>OP18</b>	Additional client income based on net inflow of clients	(257,369)	(260,316)	(260,316)	(260,316)	(1,038,317)
	<b>OP19</b>	Deferred payments income	(265,344)	0	0	0	(265,344)
	<b>OP20</b>	Health Income - S117/ Continuing Health Care / Part Health Funded	(1,047,615)	(249,636)	(263,274)	(271,559)	(1,832,084)
	<b>OP21</b>	Review of high-cost domiciliary care packages post Intermediate Care Services discharge - linked to investment 36	(176,407)	(159,542)	0	0	(335,949)
	<b>OP22</b>	Contractual uplifts funded by Market Sustainability Improvement Fund	(57,621)	0	0	0	(57,621)
	<b>OP23</b>	Occupational Therapist funded from Disabled Facilities Grant capital	(52,000)	0	0	0	(52,000)
	<b>OP24</b>	Flex360 supporting in business-as-usual reviews - double to single handed care	(464,453)	0	0	0	(464,453)
	<b>OP25</b>	Increased Housing 21 community based / accommodation income	(89,000)	0	0	0	(89,000)
<b>Total People are supported to maintain or improve their health, wellbeing, &amp; quality of life</b>			<b>(4,544,392)</b>	<b>(3,577,280)</b>	<b>(3,131,008)</b>	<b>(3,189,630)</b>	<b>(14,442,310)</b>
<b>Total Operational Proposals relating to the remit of this Committee</b>			<b>(4,544,392)</b>	<b>(3,577,280)</b>	<b>(3,131,008)</b>	<b>(3,189,630)</b>	<b>(14,442,310)</b>

**APPENDIX 3**

**Draft Capital Programme 2024/25 to 2027/28 – Council Funded Schemes relating to the remit of this Committee.**

**New Capital Schemes**

Directorate	Capital Scheme	Detail of Capital investment	2024/25 £	2025/26 £	2026/27 £	2027/28 £	Total £
<b>The Council will deliver trusted, customer focused, and enabling services, which are recognised by customers and our partners for the value they bring</b>							
Adult Social Care, Public Health and Health Hub	Mosaic Case Management Solution	Access Community Gateway - self assessment; social care reforms tool to support compliancy areas linked to care cap; self-funders; statements	68,425	0	0	0	68,425
<b>Total The Council will deliver trusted, customer focused, and enabling services, which are recognised by customers and our partners for the value they bring</b>			<b>68,425</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>68,425</b>
<b>Total New Capital Programme requests</b>			<b>68,425</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>68,425</b>

<b>Total Draft Capital Programme – Council Funded Schemes within the remit of this Committee</b>	<b>68,425</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>68,425</b>
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**APPENDIX 4**

**Draft Capital Programme 2024/25 to 2027/28 – External Funded Schemes relating to the remit of this Committee.**

Directorate	Capital Scheme	Detail of Capital investment	2024/25 £	2025/26 £	2026/27 £	2027/28 £	Total £
<b>People can access support in their community to keep safe and well and remain independent at home</b>							
Adult Social Care, Public Health and Hub	Integrated Community Equipment Store (ICES)	Supplies equipment to people with both a social care and a health need on an assessed needs basis. This is a pooled budget between the CCG and the council, this capital funding will be used to purchase this equipment which will enable people to return home or continue to remain at home. This now forms part of the Better Care Fund (BCF) for which the council is host. (Department of Health).	888,000	888,000	888,000	888,000	3,552,000
<b>Total People can access support in their community to keep safe and well and remain independent at home</b>			<b>888,000</b>	<b>888,000</b>	<b>888,000</b>	<b>888,000</b>	<b>3,552,000</b>
<b>Total Draft Capital Programme – External Funded Schemes within the remit of this Committee</b>			<b>888,000</b>	<b>888,000</b>	<b>888,000</b>	<b>888,000</b>	<b>3,552,000</b>