

2023/24 Draft Budget for consultation

**Adult Care and Well Being Overview and
Scrutiny Panel**

23rd January 2023

- Budget Report to Cabinet on 5 January 2023 summarises the financial position for Council and each of the service areas.
- Local Government Settlement announced on 19 December was a one-year settlement, however funding contains net additional grant funding of £26.3m which is extremely welcome.
 - Core spending power increased to upper tier Authorities to recognise significant demand pressures which included an increase to our Settlement Funding assessment by £8.4m.
 - Further funding of £19.5m to recognise significant pressures within Adults and Children's Social Care.
 - Reduction in new homes bonus of £1.1m and £0.5m in Services Grant.
 - Policy statement suggests core funding grants will increase by inflation in 2024/25.
- Funding Review anticipated for 2025/26
- Proposed Council Tax increase of 2.94%, plus a 2% Adult Social Care Levy - Total 4.94%

Overall Change 2022/23 – 2023/24

WCC Budget Changes 2022/23 to 2023/24



Budget Pressures	£m
Pay Inflation as set nationally	11.6
Contract Inflation	17.0
Rebase budget and Waste Financing	8.7
Service demand – see below	30.6
Total	67.9

- People Services - **£18.5m**
 - WCF - **£4.9m**
 - E&I - **£0.9m**
 - COACH - **£0.8m**
 - Capital Programme - **£5.5m**
- £30.6m**

Provisional Budget 2023/24	£m
Investment and Pressures to Fund	67.9
<i>Funded From:</i>	
Government Funding - Section 6	-26.3
Council Tax - Section 10	-14.0
Increase in use of Earmarked Reserves Above MTFP - Section 8	-5.2
Savings and Efficiencies Required - Section 7	-22.4

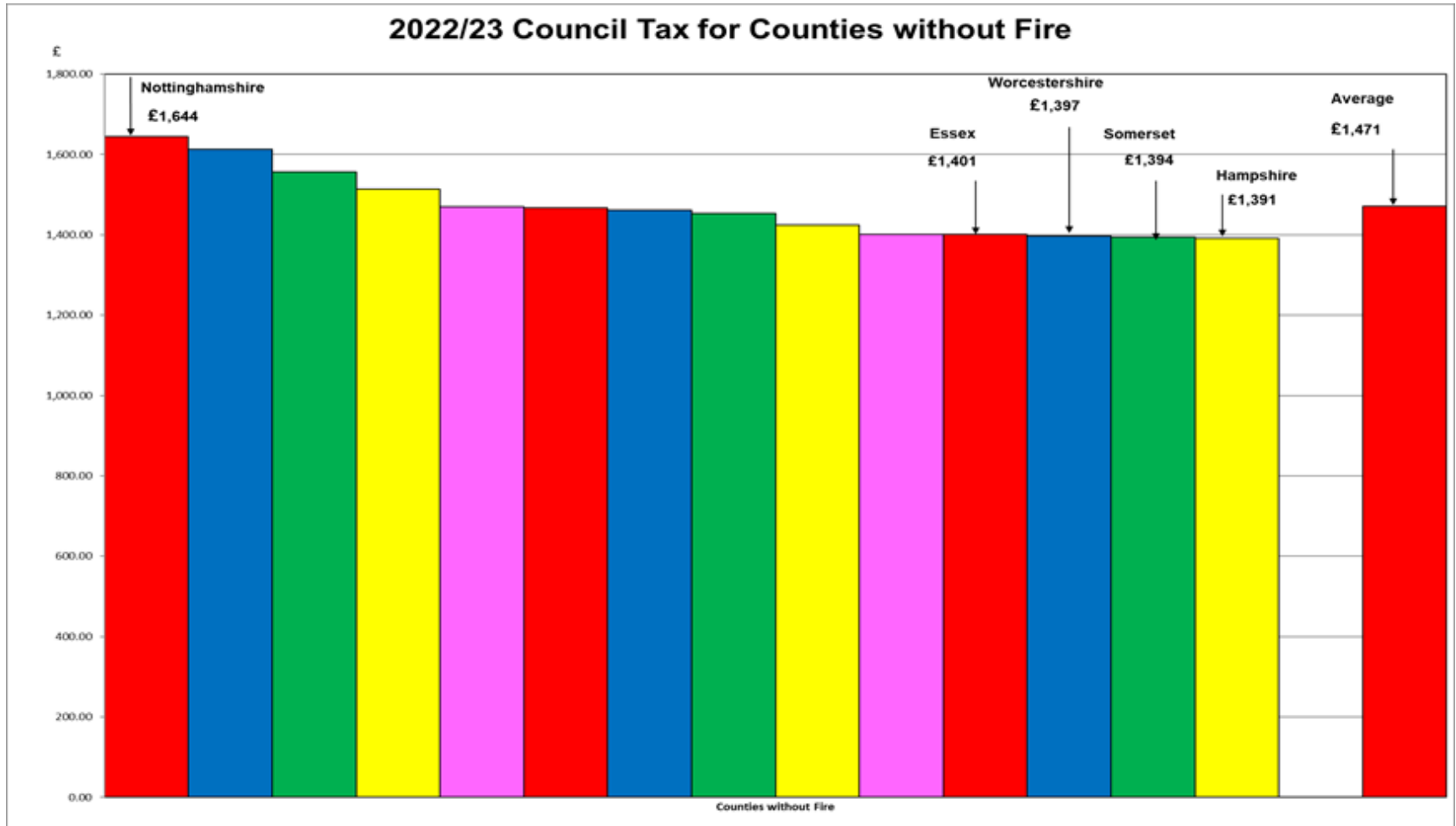
Section numbers relate to the information contained within the Budget Report to Cabinet dated 5 January 2023.

2% Adult Social Care Levy for 2023/24 in order to contribute to existing cost pressures due to Worcestershire's ageing population.

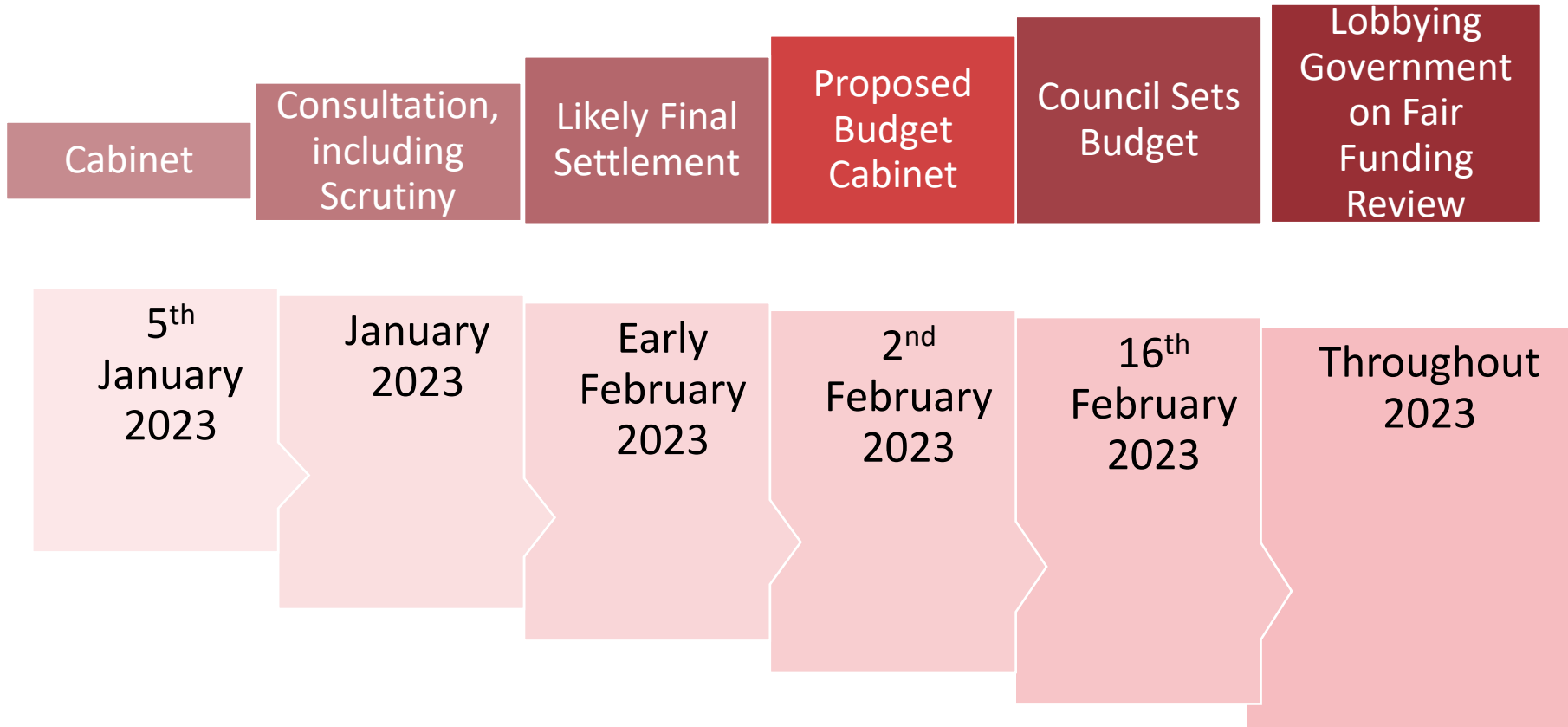
2.94% - to provide financial support to continue to fund investments in those areas that the public have consistently highlighted as important.

An increase of 4.94% which is an average £1.33 per week for a Band D householder.

Worcestershire is likely to remain in the lower quartile for level of Council Tax for comparable councils.



Budget Planning Timeline for 2023/24



Specific 2023/24 budget information

Areas within remit of Adult Care and Well-Being Panel

Adults Revenue Growth and Funding

Commitment to invest £26 million gross to meet the demand led Adult Social Care pressures -Table 7 Page 8

Adult Social Care Net Investment	£m
Additional demand increases along with complexity / acuity for older people	6.3
Growth in number and complexity of care packages for Adults with a Learning Disability	5.8
Increase in number of mental health packages of care	4.0
Growth in number and complexity of care packages for Adults with a Physical Disability including those transitioning from Children's Services	2.4
Demand and Growth Increase in Adult Care	18.5
Pay Inflation across Adult Care Services	1.9
General Inflation and price increases across Adult Care Services	5.6
Total Investment into Adult Care including Provider Services	26.0
Savings identified relevant to Adult Care	-9.6
Net Investment into Adult Care including Provider Services	16.4
Funded by	
Discharge Funding Allocation	2.7
Increase in ASC Market Sustainability & Improvement Fund	4.0
Increase in Social Care Grant (with remaining funding Children's Services)	2.5
ASC Equalisation Grant	1.2
2% Adult Social Care Levy	6.0
Total Funding	16.4

Changes to Social Care Grants

Additional £19.5m grants across adults and children's social care ([Table 13 Page 15](#))

Grant	2022/23 £m	2023/24 £m	Change in years £m
Adult Social Care Discharge Fund	0	2.7	+2.7
Market Sustainability	1.6	5.6	+4.0
Social Care Support Grant	21.8	34.6	+12.8
Total	23.4	42.9	+19.5

£10.4m additional applied to adults ([Table 15 Page 15](#))

Social Care Support grant includes £2.8m Independent Living Fund

Discharge fund allocated to support people being discharged from hospital into social care

Market sustainability grant includes funding for demand and fee increases

Revenue Savings, Efficiencies and Income Generation

Details of all savings proposals are shown in [Appendix 3](#)

- £2.5m recurrent income from Better Care Fund
- £1.6m eligible use of Public Health Grant
- £1m additional income from Continuing Health Care
- £1m from delay in implementation of Liberty Protection Safeguards legislation
- £661k delay in recruitment to vacant posts
- £0.5m consultation on fees relating to home care
- £0.4m relating to reduction in Direct Payment contingency
- £0.3m full year effect of day services transport savings
- £277k savings in Extra Care service delivery
- £204k full year effect of day services savings
- £0.2m additional income from charging
- Saving on pension liabilities ([para 7.5](#))
- Proportion of savings related to vacancy management ([para 7.6](#))
- **Total reductions = £10.2m**

Adults Revenue Budget – Extract of Appendix 1

SERVICE	Revised Budget 2022/23	Directorate Virements	Changes in Grants & Funding	Pay Inflation	Contract Inflation	Growth (Investment)	Growth (Demand)	Savings	Rebase Budgets	Net Budget 2023/24
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Adults										
Older People	70,525	0	0	986	1,933	0	6,274	-5,665	0	74,053
Learning Disabilities	65,024	-707	1,902	183	3,131	0	5,828	-1,010	0	74,350
Mental Health	18,398	0	0	233	326	0	3,966	-277	0	22,646
Physical Disabilities	16,200	0	898	0	195	0	2,433	-236	0	19,489
Adults Commissioning Unit	3,339	0	0	534	0	0	0	-1,996	0	1,877
Support Services	-163	0	0	-9	0	0	0	-427	0	-598
IBCF	-19,024	0	0	0	0	0	0	0	0	-19,024
Social Care Grant	-17,169	0	-13,214	0	0	0	0	0	0	-30,383
Adult Provider Services	7,762	0	0	953	127	0	0	-602	375	8,615
	144,890	-707	-10,414	2,880	5,712	0	18,500	-10,213	375	151,023

Capital Investment

Currently approved programme for Health & Well-Being of £3.45m ([Appendix 2](#))

Health and Well-Being	2022/23 Forecast
	£000
- Capital Investment in Community Capacity/ Specialised Housing	2,503
- Worcester Library and History Centre (Non - PFI capital costs)	122
- Redditch Library	119
- Kidderminster Library	78
Composite Sums:	
- Libraries Minor Works	378
- Adult Services Minor Works	275
	3,475